



# Independent Limited Assurance Report to the Directors of the Joint Venture Participants of the Directlink Joint Venture

## Conclusion

Based on the evidence we obtained from the procedures performed, we are not aware of any material misstatements in the Actual Non-Financial Information in the Templates of the Directlink Joint Venture (Joint Venture) as at and for the years ended 31 December 2017, 2018, 2019, 2020, 2021 and 2022, which has been prepared by the Joint Venture in accordance with the requirements of the Notice and the Basis of Preparation attached to the Templates as required by the Notice.

### **Emphasis of matter – basis of preparation and restriction on use and distribution**

We draw attention to the Basis of Preparation attached to the Templates which describes the methodologies, assumptions and judgements made by management in interpreting the presentation requirements for Actual and Estimated Information and the definitions of Actual and Estimated Information in the Notice, in order to meet the requirements of the Notice.

The Actual Non-Financial Information in the Templates has been prepared to assist the Directors of the Joint Venture Participants for the purpose of fulfilling their regulatory reporting obligations in accordance with the requirements of the Notice. As a result, the Actual Non-Financial Information in the Templates and this report may not be suitable for another purpose.

Our report is intended solely for the Directors of the Joint Venture Participants and the AER and should not be used by or distributed to parties other than the Directors of the Joint Venture Participants and the AER. We disclaim any assumption of responsibility for any reliance on this report, or on the Actual Non-Financial Information in the Templates to which it relates, to any person other than the Directors of the Joint Venture Participants and the AER, or for any other purpose than that for which it was prepared. Our conclusion is not modified in respect of this matter.

### **Information Subject to Assurance**

The Actual Non-Financial Information of the Joint Venture as presented in the following tables of Workbook 1 ("the Templates"):

- 7.9.1 STPIS as at and for the years ended 31 December 2019, 2020, 2021 and 2022 and
- 7.9.4 STPIS as at and for the years ended 31 December 2017, 2018, 2019, 2020, 2021 and 2022

("the Actual Non-Financial Information").



## **Criteria Used as the Basis of Reporting**

The requirements of the Regulatory Information Notice issued under Division 4 of Part 3 of the National Electricity (New South Wales) Law and National Electricity Law (Queensland) by the Australian Energy Regulator (“the AER”) on 11 October 2023 (“the Notice”) and the Basis of Preparation attached to the Templates as required by the Notice (together, “the criteria”).

## **Basis for Conclusion**

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000 (Standard). In accordance with the Standard we have:

- used our professional judgement to plan and perform the engagement to obtain limited assurance that we are not aware of any material misstatements in the Actual Non-Financial Information, whether due to fraud or error;
- considered relevant internal controls when designing our assurance procedures, however we do not express a conclusion on their effectiveness; and
- ensured that the engagement team possess the appropriate knowledge, skills and professional competencies.

## **Summary of Procedures Performed**

Our limited assurance conclusion is based on the evidence obtained from performing the following procedures:

- enquiries with relevant Joint Venture personnel to understand the internal controls, governance structure and reporting process of the Actual Non-Financial Information;
- reviews of relevant documentation including the Notice and the Basis of Preparation required by the Notice;
- analytical procedures over the Actual Non-Financial Information in the Templates;
- walkthroughs of the Actual Non-Financial Information in the Templates to the Joint Venture’s source documentation;
- evaluating the appropriateness of the criteria with respect to the Actual Non-Financial Information; and
- reading the Actual Non-Financial Information in the Templates in its entirety to ensure it is consistent with our overall knowledge of assurance engagement.

## **How the Standard Defines Limited Assurance and Material Misstatement**

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 a reasonable assurance engagement been performed.

Misstatements, including omissions, are considered material if, individually or in the aggregate, they could reasonably be expected to influence relevant decisions of the Directors of the Joint Venture Participants and the AER.

## **Inherent Limitations**

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud or error may occur and not be detected.



A limited assurance engagement as at a specified date does not provide assurance on whether compliance with the Notice will continue in the future.

### **Management's responsibility**

Management are responsible for:

- determining that the criteria is appropriate to meet their needs and the needs of the Directors of the Joint Venture Participants and the AER;
- preparing and presenting the Actual Non-Financial Information in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Actual Non-Financial Information that is free from material misstatement, whether due to fraud or error.

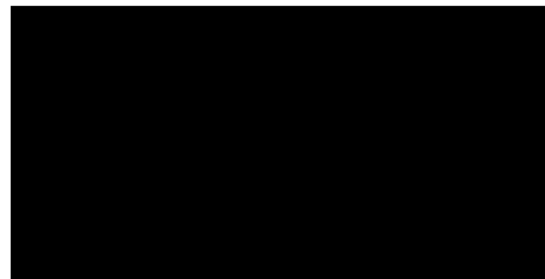
### **Our Responsibility**

Our responsibility is to perform a limited assurance engagement in relation to the Actual Non-Financial Information, and to issue an assurance report that includes our conclusion.

### **Our Independence and Quality Management**

We have complied with our independence and other relevant ethical requirements of the *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Australian Professional and Ethical Standards Board, and complied with the applicable requirements of Australian Standard on Quality Management 1 to design, implement and operate a system of quality management.

KPMG



Partner

Sydney

22 January 2024