Appendix B

Directors’ Responsibility Statement

Directors' Responsibility Statement

The Directors of ElectraNet Pty Ltd (ABN 41 094 482 416) hereby certify that:

- In accordance with the requirements of clause S6A.1.1(5) of the National Electricity Rules, the key assumptions[1] used in the capital expenditure forecast are reasonable for the purpose of establishing an efficient ex-ante capital expenditure allowance for ElectraNet's Transmission Network Revenue Proposal 2008-09 to 2012-13; and
- In accordance with the requirements of clause S6A.1.1(6) of the National Electricity Rules, the key assumptions[2] used in the operating expenditure forecast are reasonable for the purpose of establishing an efficient ex-ante operating expenditure allowance for ElectraNet's Transmission Network Revenue Proposal 2008-09 to 2012-13.

Signed in accordance with a resolution of directors:

G H Jardine

Name GORDON H. JARDINE Dated 31 May 2007

Director

Name PENG KOON CHIN Dated 31 May 2007

Director

Name Alistair Maxwell Barker Dated 31 May 2007

Director

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1 The key assumptions with respect to the capital expenditure forecast are set out in Chapter 5 of the Revenue Proposal and relate to:
- Forecast demand growth independently provided by the distributor and direct connect customers, and consistent with the Annual Planning Report published by ESIPC;
- Generation development scenarios;
- Network models, planning standards (including those specified in the National Electricity Rules and the South Australian Electricity Transmission Code) and design standards;
- Asset condition data and risk assessments;
- Project scopes and cost estimates;
- Forecasts of wages growth, land appreciation and construction costs; and
- Cost estimation risk analysis.

2 The key assumptions with respect to the operating expenditure forecast are set out in Chapter 6 of the Revenue Proposal and relate to:
- The efficiency of ElectraNet's 2005-06 base year costs;
- The routine maintenance forecasting model;
- Identification of required maintenance projects in the Asset Management Plan;
- Forecasts of wages growth and land appreciation;
- The impact of scope changes driving costs higher than are represented in the base year costs;
- Self-insurance;
- Debt and equity raising costs; and
- Network support.