



# Independent Reasonable Assurance Report to the Directors of Icon Distribution Investments Ltd and Jemena Networks (ACT) Pty Ltd

## Conclusion

In our opinion, in all material respects, the gas volumes, ancillary service quantities and meter classification data contained within the Tariff Variation Model of Icon Distribution Investments Ltd and Jemena Networks (ACT) Pty Ltd for the regulatory year 1 July 2020 to 30 June 2021 is prepared in accordance with section 7.18(d) of the Gas Access Arrangement.

## Information Subject to Assurance

The information subject to assurance is the gas volumes, ancillary service quantities and meter classification data ("Actual Quantity Inputs") of Icon Distribution Investments Ltd and Jemena Networks (ACT) Pty Ltd ("Evoenergy" or "Licensee") for the regulatory year 1 July 2020 to 30 June 2021 contained within the Licensee's Tariff Variation Model ("Regulatory Reporting Statement").

## Criteria Used as the Basis of Reporting

The Regulatory Reporting Statement is prepared in accordance with the requirements of section 7.18(d) of the Access arrangement for the ACT, Queanbeyan and Palerang gas distribution network for the regulatory period 1 July 2016 – 30 June 2021 ("Gas Access Arrangement") and the basis of preparation as described in the accompanying Regulatory Reporting Statement.

## Basis for our Conclusion

We conducted our work in accordance with Australian Standard on Assurance Engagements ASAE 3000. We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

In accordance with the ASAE 3000 we have:

- used our professional judgement to assess the risk of material misstatement and plan and perform the engagement to obtain reasonable assurance that the Regulatory Reporting Statement is free from material misstatement, 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 possesses the appropriate knowledge, skills and professional competencies.



## **How We Define Reasonable Assurance and Material Misstatement**

- Reasonable assurance is a high level of assurance, but is not a guarantee that it will always detect a material misstatement when it exists.
- 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 Licensee.

## **Inherent Limitations**

Because of the inherent limitations of any information system and internal control structure, it is possible that errors or irregularities may occur and not be detected. A reasonable assurance engagement is not designed to detect all process deficiencies, errors in the Regulatory Reporting Statement or instances of non-compliance with the requirements of the Gas Access Arrangement, as the reasonable assurance engagement has not been performed continuously throughout the period and the procedures performed on the Regulatory Reporting Statement are on a sample basis having regard to the nature and size of The Licensee.

## **Use of this Assurance Report**

This report and the accompanying Regulatory Reporting Statement have been prepared for the Directors of The Licensee to meet their needs in accordance with the requirements of the Gas Access Arrangement issued by the Australian Energy Regulator ("AER"). As a result the Regulatory Reporting Statement may not be suitable for another purpose. Our report is intended solely for the Directors of The Licensee and the AER and should not be distributed to or used by parties other than the Directors of The Licensee and the AER. We disclaim any assumption of responsibility for any reliance on this report, to any person other than the Directors of The Licensee and the AER, or for any other purpose than that for which it was prepared.

## **Management's Responsibility**

Management is responsible for:

- determining that the criteria is appropriate to meet the Directors' needs and the needs of the AER;
- preparing and presenting the Regulatory Reporting Statement in accordance with the criteria; and
- establishing internal controls that enable the preparation and presentation of the Regulatory Reporting Statement that is free from material misstatement, whether due to fraud or error.



## **Our Responsibility**

Our responsibility is to perform a reasonable assurance engagement in relation to the Regulatory Reporting Statement for the regulatory year ended 30 June 2021, and to issue an assurance report that includes our conclusion.

## **Our Independence and Quality Control**

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 Control 1 to maintain a comprehensive system of quality control.



KPMG



Vicky Carlson

Partner

Melbourne

8 December 2021

Evo Energy (ABN 76670568688)

Audited Gas Quantity Inputs (Gas Volumes, Ancillary Service Quantities and Metering Classification Data) for the regulatory year 1 July 2020 to 30 June 2021

Basis of preparation

The data presented below is for use in the annual Reference Tariff variation mechanism and have been prepared in accordance with the accompanying footnotes. These gas quantity inputs reflect the most recent actual Financial Year quantity sold at the time of submitting the Variation Notice in accordance with 7.18(d) of the "Access arrangement for the ACT, Queanbeyan and Palerang gas distribution network for the regulatory period 1 July 2021-30 June 2026" (Gas Access Arrangement)

1. Volume Market

MONTH	Volume Individual					Sum of Fix Charge Days	Number of days	Volume Boundary					Customer number
	BLOCK_1 (MJ)	BLOCK_2 (MJ)	BLOCK_3 (MJ)	BLOCK_4 (MJ)	Customer number			QUARTER	BLOCK_1 (MJ)	BLOCK_2 (MJ)	BLOCK_3 (MJ)	BLOCK_4 (MJ)	
Jul-20	162,051,870	645,321,795	99,808,990	171,520,822	156,504	4,845,614	Q1	473,759,293	1,564,489,896	239,320,550	422,049,929	156,504	
Aug-20	160,490,807	552,295,711	85,797,066	159,277,457	157,220	4,852,288	Q2	397,114,278	463,587,309	96,337,887	109,127,883	157,220	
Sep-20	151,216,616	366,872,390	53,714,494	91,251,650	158,208	4,700,477	Q3	346,667,247	248,990,660	79,723,073	72,123,290	158,208	
Oct-20	150,179,530	257,070,683	40,856,787	50,838,354	158,713	4,862,360	Q4	452,798,906	1,273,102,245	213,461,233	328,710,298	158,713	
Nov-20	131,336,350	141,073,508	30,852,463	33,348,414	157,655	4,715,708							
Dec-20	115,598,398	65,443,118	24,628,637	24,941,115		4,886,143							
Jan-21	109,412,469	50,047,754	23,448,318	21,750,850		4,896,426							
Feb-21	104,770,246	56,233,885	22,963,343	20,950,209		4,429,445							
Mar-21	132,484,532	142,709,021	33,311,412	29,422,231		4,912,843							
Apr-21	141,478,254	256,677,339	45,736,022	59,953,491		4,757,675							
May-21	155,300,991	439,918,536	69,631,632	116,836,006		4,919,129							
Jun-21	156,019,661	576,506,370	98,093,579	151,920,801		4,756,084							
<b>Grand Total</b>	<b>1,670,339,724</b>	<b>3,550,170,110</b>	<b>628,842,743</b>	<b>932,011,400</b>		<b>57,544,192</b>							
Customer number						157,655							

MONTH	Volume Boundary					Sum of Fix Charge Days	Number of days	Volume Individual					Customer number
	BLOCK_1 (MJ)	BLOCK_2 (MJ)	BLOCK_3 (MJ)	BLOCK_4 (MJ)	Customer number			QUARTER	BLOCK_1 (MJ)	BLOCK_2 (MJ)	BLOCK_3 (MJ)	BLOCK_4 (MJ)	
Jul-20	264,634	742,282	140,403	-	279	279	Q1	798,235	2,228,935	417,780	-	9.00	
Aug-20	270,207	758,905	140,962	-	279	279	Q2	791,519	1,972,406	205,681	-	9.00	
Sep-20	263,394	727,748	136,415	-	270	270	Q3	783,894	1,907,175	18,889	-	9.50	
Oct-20	271,769	645,862	90,456	-	279	279	Q4	808,872	1,436,876	-	-	11.00	
Nov-20	262,500	631,859	56,668	-	270	270							
Dec-20	257,250	694,685	58,557	-	279	279							
Jan-21	257,985	684,767	18,889	-	279	279							
Feb-21	241,084	576,973	-	-	263	263							
Mar-21	284,825	645,435	-	-	313	313							
Apr-21	262,187	479,324	-	-	330	330							
May-21	269,020	464,716	-	-	341	341							
Jun-21	277,665	492,836	-	-	330	330							
<b>Grand Total</b>	<b>3,182,520</b>	<b>7,545,392</b>	<b>642,350</b>	<b>-</b>	<b>3,512</b>	<b>3,512</b>							
Customer number						10							

Basis of preparation - volume market:

Total energy consumption - extracted from Jemena's OneSAP reporting systems GAS\_R025\_commercial Data Extract and represent the actual billing month by month

Energy consumption by block - Block structure is in line with AER approved tariffs and tariff structure

Customer number - is calculated using the number of billing days data. Customer number reported is an average for the t-2 period.

2. Demand Market

Q1	Demand Capacity GJ			Demand Throughput	Metering				
	Block 1	Block 2	Block 3		Total	MHQ <16 GJ/hr	MHQ 16 - <50 GJ/hr	MHQ 50 - <100 GJ/hr	MHQ 100 > GJ/hr
DC	1950	2714	3425		24	12	2	0	1
DT				8,155	0	0	1	0	0
Q2	Demand Capacity GJ			Demand Throughput	Metering				
DC	1950	2715	3439		24	12	2	0	1
DT				6,179	0	0	1	0	0
Q3	Demand Capacity GJ			Demand Throughput	Metering				
DC	2002	2756	3440		27	12	2	0	1
DT				10,451	0	0	1	0	0
Q4	Demand Capacity GJ			Demand Throughput	Metering				
DC	2100	2840	3440		26	12	2	0	1
DT				9,817	0	0	1	0	0
Annual	Demand Capacity GJ			Demand Throughput	Metering				
DC	2000	2756	3436		27	12	2	0	1
DT				34,602	0	0	1	0	0

Basis of preparation - demand market:

Data for the demand market is obtained from GAS\_R025\_Commercial Data Extract. Information represents the actual billing data by month

Demand capacity data for DC tariff - represents chargeable demand. It is calculated as an average of the chargeable demand billed for the year. Block split is in line with AER approved block sizes

Demand throughput data for DT tariff - represents total energy consumption billed

Metering charges - it is derived from MHQ data (extracted from GAS\_R025\_Commercial Data Extract ) which shows the AER-approved tariff structures

3. Ancillary Services

Ancillary Services	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Requests For Service	-	-	5	-	-	-	-	-	-	-	-	-
Disconnection <25m3/hr	27	-	-	9	5	33	61	27	39	57	162	232
Disconnection >25m3/hr	-	-	-	-	-	-	-	-	-	-	-	-
Reconnection <25m3/hr	28	18	18	9	10	15	7	16	22	24	26	42
Reconnection >25m3/hr	-	-	-	-	-	-	-	-	-	-	-	-
Decommissioning and meter removal <25m3/hr	26	27	28	10	41	27	27	26	40	46	28	40
Decommissioning and meter removal >25m3/hr	-	-	-	-	-	-	-	-	-	-	-	-
Special Meter Reads	2,605	2,884	2,369	2,662	1,853	3,018	3,777	3,492	3,208	2,981	2,644	2,656
<b>Total</b>	<b>2,686</b>	<b>2,924</b>	<b>2,424</b>	<b>2,686</b>	<b>1,937</b>	<b>3,121</b>	<b>3,838</b>	<b>3,573</b>	<b>3,327</b>	<b>3,213</b>	<b>2,990</b>	<b>3,203</b>

  

Output	Requests For Service	Disconnection <25m3/hr	Disconnection >25m3/hr	Reconnection <25m3/hr	Reconnection >25m3/hr	Decommissioning and meter removal <25m3/hr	Decommissioning and meter removal >25m3/hr	Special Meter Reads
Q1	5	36	-	64	-	81	-	7,858
Q2	-	99	-	34	-	78	-	7,533
Q3	-	123	-	45	-	93	-	10,477
Q4	-	859	-	92	-	114	-	8,281
<b>Annual Output - Total</b>	<b>5</b>	<b>1,117</b>	<b>-</b>	<b>235</b>	<b>-</b>	<b>366</b>	<b>-</b>	<b>34,149</b>

Basis of preparation - ancillary services:

Data for the ancillary services is obtained from Jemena's OneSAP reporting system- GNR3322- Gas Ancillary Service Charge Report and represents the actual billing data