

Independent Auditor's Report to the Partners of SA Power Networks and the Australian Energy Regulator

We have audited the accompanying Australian Energy Regulator (“AER”) Distribution Network Service Provider (“DNSP”) Reset RIN Templates –Actual Historical Financial Information (“financial information”) of SA Power Networks in the Regulatory Reporting Statement 2015-16 to 2019-20, which comprises:

- Regulatory template 2.13 Provisions as at, and for the years ending, 30 June 2009 to 30 June 2014 inclusive;
- Regulatory template 2.14 Forecast Price Changes as at, and for the years ending, 30 June 2011 to 30 June 2014 inclusive;
- Regulatory template 2.15 Commercial Insurance and Self-Insurance as at, and for the year ended 30 June 2014;
- Regulatory template 2.17 Step Changes as at, and for the years ending, 30 June 2011 to 30 June 2014 inclusive;
- Regulatory template 7.4 Shared Assets as at, and for the years ending, 30 June 2006 to 30 June 2014 inclusive; and
- Regulatory template 7.5 EBSS as at, and for the years ending, 30 June 2009 to 30 June 2014 inclusive.

All relevant terms above are as defined in the Regulatory Information Notice issued to SA Power Networks on 25 August 2014 under Division 4 of Part 3 of the National Electricity (South Australia) Law (the “Notice”).

The Partners' Responsibility for the Financial Information

The Partners are responsible for the preparation of the financial information for submission to the Australian Energy Regulator and for ensuring the financial information is presented fairly in accordance with the requirements of the Notice and SA Power Networks' Basis of Preparation under Division 4 of Part 3 of the National Electricity (South Australia) Law and have determined that the financial information is appropriate to meet the needs of the Partners and the AER. The Partners' responsibility also includes such internal control as the Partners determine is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

Auditors Responsibility

Our responsibility is to express an opinion on the financial information based on our audit. We conducted our audit in accordance with Australian Auditing Standards as required by clause 2.1, clause 3.1 and clause 3.2 of Appendix D of the Notice. Australian Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Partners, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial information of SA Power Networks in the Regulatory Reporting Statement 2015-16 to 2019-20, is presented fairly, in all material respects, in accordance with the requirements of the Notice and SA Power Networks' Basis of Preparation under Division 4 of Part 3 of the National Electricity (South Australia) Law, which comprises:

- Regulatory template 2.13 Provisions as at, and for the years ending, 30 June 2009 to 30 June 2014 inclusive;
- Regulatory template 2.14 Forecast Price Changes as at, and for the years ending, 30 June 2011 to 30 June 2014 inclusive;
- Regulatory template 2.15 Commercial Insurance and Self-Insurance as at, and for the year ended 30 June 2014;
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- Regulatory template 7.5 EBSS as at, and for the years ending, 30 June 2009 to 30 June 2014 inclusive.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to "The Partner's Responsibility for the Financial Information" paragraph above which states that the financial information has been prepared in accordance with the requirements of the Notice and SA Power Networks' Basis of Preparation for the purpose of its submission with the AER. The financial information has been prepared to assist SA Power Networks to meet the financial reporting requirements of Division 4 of Part 3 of the National Electricity (South Australia) Law. As a result, the financial information may not be suitable for another purpose. Our report is intended solely for the Partners and the AER and should not be distributed to or used by parties other than the Partners and the AER.



DELOITTE TOUCHE TOHMATSU



Jody Burton
Partner
Chartered Accountants
Adelaide, 28 October 2014