



Independent Assurance Report

To the Directors of Transpower New Zealand Limited

Assurance report pursuant to sections 53ZD(1)(d), (e) and (f) of the Commerce Act 1986

Opinion

We have undertaken a reasonable assurance engagement in respect of the compliance of Transpower New Zealand Limited (the “Company”) with the requirements specified in Schedule A of the Notice to supply forecast MAR and forecast SMAR calculations to the Commerce Commission under sections 53ZD(1)(d), (e) and (f) of the Commerce Act 1986 (the “Notice”) for the regulatory control period from 1 April 2025 – 31 March 2030.

In our opinion, in all material respects:

- as far as appears from an examination of them, proper records to enable the complete and accurate compilation of the forecast MAR and forecast SMAR calculations have been kept by the Company;
- as far as appears from the examination, the information used in the preparation of the forecast MAR and forecast SMAR calculations has, where applicable, been properly extracted from Transpower’s accounting and other records, sourced from its financial and non-financial systems; and
- the Company has complied with this Notice in preparing the forecast MAR and forecast SMAR calculations and supporting information.

Basis for Opinion

We have conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3100 (Revised) *Compliance Engagements* (“SAE 3100 (Revised)”), issued by the New Zealand Auditing and Assurance Standards Board.

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

Directors’ Responsibilities

The Directors are responsible on behalf of the Company for compliance with the Notice, for the identification of risks that may threaten compliance with the Notice, controls that would mitigate those risks, and monitoring the Company’s ongoing compliance.

Our Independence and Quality Management

We have complied with the Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* or other professional requirements, or requirements in law or regulation, that are at least as demanding, which include independence and other requirements founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of the Company. Our firm carried out assurance services over the RCP4 Expenditure Proposal and the RCP4 revenue model and other advisory services for the Company. The provision of these other services has not impaired our independence.



Assurance Practitioner's responsibilities

Our responsibility is to express an opinion on whether the Company has complied, in all material respects, with the Notice and report our opinion to you. SAE 3100 (Revised) requires that we plan and perform our procedures to obtain reasonable assurance about whether the Company has complied, in all material respects, with the Notice.

An assurance engagement to report on the Company's compliance with the Notice involves performing procedures to obtain evidence about the compliance activity and controls implemented. The procedures selected depend on our judgement, including the identification and assessment of risks of material non-compliance.

Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement throughout the specified period does not provide assurance on whether compliance with the Notice will continue in the future.

Use of Report

This report has been prepared for the Directors in accordance with clause 13 of the Notice and is provided solely to assist you in establishing that compliance requirements have been met.

Under the terms of our engagement our report may be provided to the Commerce Commission in accordance with Schedule B of the Notice. Notwithstanding the Notice, we do not accept or assume a duty of care or other legal responsibility to the Commerce Commission.

Our report should not be used for any other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for any reliance on this report to anyone other than the Directors of the Company, as a body, or for any purpose other than that for which it was prepared.

A handwritten signature in black ink that reads 'PricewaterhouseCoopers.' The signature is written in a cursive, flowing style.

PricewaterhouseCoopers
21 October 2024

Christchurch, New Zealand