



Independent Auditor's Report

To the Directors of SGSP (Australia) Assets Pty Ltd (SGSPAA)

Report on the audit of the financial information within the Financial Reporting Guideline for Non-scheme pipeline templates

Opinion

We have audited the **Financial Information** of Jemena Darling Downs Pipeline (the Service Provider).

In our opinion, the accompanying Financial Information of the Service Provider for the year ended 31 December 2019, is prepared, in all material respects, in accordance with the Financial Reporting Guideline for Non-Scheme Pipelines (the Guideline) issued by the Australian Energy Regulator (AER) on 19 December 2017 and the Basis of Preparation as prescribed by the Guideline.

The **Financial Information** comprises the information within sections 2, 2.1, 2.2, 2.3, 2.4, 3, 3.1, 3.2, 3.3 and 3.4 in the Non-scheme pipeline financial reporting guideline templates for the year ended 31 December 2019.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Information section of our report.

We are independent of the Service Provider in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the Financial Information in Australia. We have fulfilled our other ethical responsibilities in accordance with the Code.

Emphasis of matter – Basis of preparation and Restriction on use

The Financial Information has been prepared in accordance with the Basis of Preparation as prescribed by the Guideline and has been prepared to assist the Directors of SGSPAA to meet their reporting requirements under the Guideline. As a result, the Financial Information and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Directors of SGSPAA and the AER and should not be used by parties other than the Directors of SGSPAA and the AER. We disclaim any assumption of responsibility for any reliance on our report, or on the Financial Information to which it relates, to any person other than the Directors of SGSPAA and the AER, or for any other purpose than that for which it was prepared.



Emphasis of matter – Reissuance of audit opinion

We draw attention to “Restatement of 2019 DDP” section within the Basis of Preparation which describes that the Financial Information has been reissued due to the Atlas gas production infrastructure and lateral (Atlas) being registered separately for regulatory purposes from the Darling Downs Pipeline. Accordingly, the revenue and expenditure related to Atlas has been removed from the Service Provider’s restated Financial Information. As a result, this audit opinion supersedes our previous independent audit opinion to the Directors of SGSPAA dated 29 April 2020 on the Financial Information in the Non-scheme pipeline financial reporting guideline templates for the year ended 31 December 2019. Our opinion is not modified in respect of this matter.

Matters relating to the electronic publication of the audited Financial Information

This Auditor’s Report relates to the Financial Information of the Jemena Darling Downs Pipeline for the year ended 31 December 2019 included on the Jemena (SGSPAA) website. The SGSPAA Directors are responsible for the integrity of the Jemena website. We have not been engaged to report on the integrity of the Jemena website. The Auditor’s Report refers only to the subject matter described above. It does not provide a conclusion or opinion on any other information which may have been hyperlinked to/from the Financial Information.

Responsibilities of the Directors and Management for the Financial Information

Management are responsible for:

- the preparation of the Financial Information in accordance with the requirements of the Guideline and the Basis of Preparation; and
- implementing necessary internal control to enable the preparation of Financial Information that are free from material misstatement, whether due to fraud or error.

The Directors of SGSPAA are responsible for:

- overseeing the service provider’s regulatory reporting process; and
- determining that the Basis of Preparation is appropriate to meet the needs of the AER in order to fulfil the service provider’s reporting obligations.

Auditor’s responsibilities for the audit of the Financial Information

Our objective is:

- to obtain reasonable assurance about whether the Financial Information as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor’s Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Information.



A further description of our responsibilities for the audit of the Financial Information is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf. This description forms part of our Auditor's Report.

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KPMG

A handwritten signature of Vicky Carlson, written in dark ink.

Vicky Carlson

Partner

Melbourne

27 November 2020