

4 September 2026

Partner Reference
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Sent by Email

For: Chris Birkinshaw

Dear Chris

Transmission Pricing Methodology – Assurance for determination of starting allocations for the Brownhill – Pakuranga B Cable Joint Refurbishment BBI

1. Transpower has consulted on the proposed starting benefit-based investment (**BBI**) customer allocations (**starting allocations**) for the Brownhill – Pakuranga B Cable Joint Refurbishment BBI (**Brownhill – Pakuranga BBI**), which the transmission pricing methodology (**TPM**) requires that Transpower treat as a separate post-2019 BBI.
2. The TPM requires Transpower to publicly consult on proposed starting allocations for post-2019 BBIs expected to be “high-value”,¹ including any material departures from Transpower’s benefit-based charge assumptions book (**assumptions book**).² The Brownhill – Pakuranga BBI is a high-value BBI.
3. Following completion of that consultation, Transpower has finalised its starting allocations for the Brownhill – Pakuranga BBI.

Scope of our review

4. Transpower has asked Simpson Grierson to provide assurance in relation to the decision paper and final record relating to the starting allocations for the Brownhill – Pakuranga BBI (**determination documents**), specifically whether the determination documents comply with the TPM and are consistent with aspects of the assumptions book.

Assurance

5. In our opinion, and subject to the qualifications and limitations noted below:

¹ A post-2019 BBI is high-value if the sum of its capex and opex is more than the base capex threshold under the Transpower Capital Expenditure Input Methodology (\$30m).

² The version of the assumptions book we have referred to for assurance is version 3.0, dated 30 June 2026. This is the most recent version of the assumptions book.

- (a) the determination documents comply with the TPM in all material respects, in that they are consistent with the relevant benefit-based charges provisions specified in the TPM; and
- (b) the processes and methodologies applied in the determination documents are consistent with those set out in the assumptions book, except where stated otherwise in the determination documents. The reasons for any material departures from the assumptions book are explained in the determination documents.

Qualifications and limitations

6. Our assurance in paragraph 5 is subject to the following:

- (a) Our assurance is based on the information made available to us by Transpower.
- (b) We have not reviewed the appendices to the final record.
- (c) Our assurance addresses legal requirements and legal form. We do not express any opinion on the technical, economic, engineering or modelling aspects of the determination documents, as those aspects are outside our role and expertise.
- (d) Transpower is satisfied that the content of the determination documents, including starting customer allocations and associated calculations, have been vetted from a technical perspective.

Reliance

- 7. This opinion may be relied on by Transpower and its directors. Except to the extent (if any) required by law, no other person may, without our written consent, use this letter, either directly or indirectly, or enable this letter to be relied upon by any other person, or allow this letter to be quoted or referred to in any document, whether public or private, or filed with any regulatory authority.
- 8. We are aware that Transpower intends to disclose this letter with the determination documents. We understand the disclosure of this letter is not intended to waive privilege in any advice we have given to Transpower in relation to the determination documents or any other matter.

Yours faithfully
SIMPSON GRIERSON



Chris Browne | Special Counsel