

## **Auditors' Report**

Threshold compliance statements

To the readers of the threshold compliance statements of WEL Networks Limited

We have examined the attached statement, being a threshold compliance statement in respect of a price path threshold that was prepared by WEL Networks Limited for assessment on 6 September 2003 and dated 24 October 2003 for the purposes of information requirements set out in clause 7 of the Commerce Act (Electricity Lines Thresholds) Notice 2003 ("the Notice").

### **Directors' Responsibilities**

Clause 7 of the Notice requires the Directors of WEL Networks Limited to prepare certificates that confirm the compliance, or otherwise, of WEL Networks Limited with the thresholds set out in clauses 4, 5 and 6 of that Notice.

### **Auditors' Responsibilities**

It is our responsibility to express an independent opinion on the threshold compliance statements certified by the Directors and report our opinion to you.

### **Basis of Opinion**

Our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures in the attached threshold compliance statements. It also included assessment of the significant estimates and judgments, if any, made by the lines business in the preparation of the threshold compliance statements and assessment of whether the basis of preparation had been adequately disclosed.

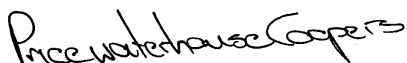
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary. We obtained sufficient evidence to give reasonable assurance that the statement is free from material misstatements, whether caused by fraud or error or otherwise. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the statement.

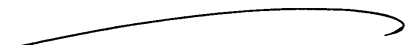
We have no relationship with or interests in WEL Networks Limited other than in our capacities as auditors of the threshold compliance statements and under the Companies Act 1993, and in the provision of other professional advisory services. We are not aware of any relationships between our firm and WEL Networks Limited that, in our professional judgment, may reasonably be thought to impair our independence.

### **Unqualified Opinion**

We have obtained all the information and explanations we have required. In our opinion, having made all reasonable enquiry, to the best of our knowledge, the attached threshold compliance statement of WEL Networks Limited, and related information has been prepared in accordance with the Notice, and gives a true and fair view of the performance of WEL Networks Limited as required by the Notice against the thresholds set out in the Notice for assessment on 6 September 2003.

Our audit was completed on 24 October 2003 and our opinion is expressed as at that date.



  
PricewaterhouseCoopers  
Auckland  
24 October 2003