



**EDB Information Disclosure Requirements
Information Templates
for
Schedules 1–10**

Company Name

Network Waitaki Limited

Disclosure Date

31 August 2021

Disclosure Year (year ended)

31 March 2021

Templates for Schedules 1–10 excluding 5f–5g
Template Version 4.1. Prepared 21 December 2017

Table of Contents

Schedule	Schedule name
1	<u>ANALYTICAL RATIOS</u>
2	<u>REPORT ON RETURN ON INVESTMENT</u>
3	<u>REPORT ON REGULATORY PROFIT</u>
4	<u>REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)</u>
5a	<u>REPORT ON REGULATORY TAX ALLOWANCE</u>
5b	<u>REPORT ON RELATED PARTY TRANSACTIONS</u>
5c	<u>REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE</u>
5d	<u>REPORT ON COST ALLOCATIONS</u>
5e	<u>REPORT ON ASSET ALLOCATIONS</u>
6a	<u>REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR</u>
6b	<u>REPORT ON OPERATIONAL EXPENDITURE FOR THE DISCLOSURE YEAR</u>
7	<u>COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE</u>
8	<u>REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES</u>
9a	<u>ASSET REGISTER</u>
9b	<u>ASSET AGE PROFILE</u>
9c	<u>REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES</u>
9d	<u>REPORT ON EMBEDDED NETWORKS</u>
9e	<u>REPORT ON NETWORK DEMAND</u>
10	<u>REPORT ON NETWORK RELIABILITY</u>

Company Name

Network Waitaki Limited

For Year Ended

31 March 2021

SCHEDULE 1: ANALYTICAL RATIOS

This schedule calculates expenditure, revenue and service ratios from the information disclosed. The disclosed ratios may vary for reasons that are company specific and, as a result, must be interpreted with care. The Commerce Commission will publish a summary and analysis of information disclosed in accordance with the ID determination. This will include information disclosed in accordance with this and other schedules, and information disclosed under the other requirements of the determination.

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

1(i): Expenditure metrics

	Expenditure per GWh energy delivered to ICPs (\$/GWh)	Expenditure per average no. of ICPs (\$/ICP)	Expenditure per MW maximum coincident system demand (\$/MW)	Expenditure per km circuit length (\$/km)	Expenditure per MVA of capacity from EDB- owned distribution transformers (\$/MVA)
Operational expenditure	24,367	541	106,537	3,772	32,281
Network	8,696	193	38,022	1,346	11,521
Non-network	15,671	348	68,515	2,426	20,760
Expenditure on assets	31,094	691	135,948	4,814	41,193
Network	27,536	612	120,394	4,263	36,480
Non-network	3,558	79	15,555	551	4,713

1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
Total consumer line charge revenue	70,124	1,558
Standard consumer line charge revenue	85,831	1,337
Non-standard consumer line charge revenue	34,056	34,548

1(iii): Service intensity measures

Demand density	35	Maximum coincident system demand per km of circuit length (for supply) (kW/km)
Volume density	155	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
Connection point density	7	Average number of ICPs per km of circuit length (for supply) (ICPs/km)
Energy intensity	22,213	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)

1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	7,089	34.75%
Pass-through and recoverable costs excluding financial incentives and wash-ups	4,462	21.87%
Total depreciation	4,400	21.57%
Total revaluations	1,499	7.35%
Regulatory tax allowance	1,251	6.13%
Regulatory profit/(loss) including financial incentives and wash-ups	4,698	23.03%
Total regulatory income	20,401	

1(v): Reliability

Interruption rate	19.96	Interruptions per 100 circuit km
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Company Name

Network Waitaki Limited

For Year Ended

31 March 2021

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).

EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).

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sch ref

2(i): Return on Investment**ROI – comparable to a post tax WACC**

Reflecting all revenue earned
Excluding revenue earned from financial incentives
Excluding revenue earned from financial incentives and wash-ups

Mid-point estimate of post tax WACC

25th percentile estimate
75th percentile estimate

ROI – comparable to a vanilla WACC

Reflecting all revenue earned
Excluding revenue earned from financial incentives
Excluding revenue earned from financial incentives and wash-ups

WACC rate used to set regulatory price path**Mid-point estimate of vanilla WACC**

25th percentile estimate
75th percentile estimate

	CY-2 31 Mar 19 %	CY-1 31 Mar 20 %	Current Year CY 31 Mar 21 %
--	------------------------	------------------------	-----------------------------------

2.41%	4.89%	4.64%
2.41%	4.89%	4.64%
2.41%	4.89%	4.64%

4.75%	4.27%	3.72%
4.07%	3.59%	3.04%
5.43%	4.95%	4.40%

2.92%	5.31%	4.97%
2.92%	5.31%	4.97%
2.92%	5.31%	4.97%

N/A	N/A	N/A
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5.26%	4.69%	4.05%
4.58%	4.01%	3.37%
5.94%	5.37%	4.73%

2(ii): Information Supporting the ROI

(\$000)

Total opening RAB value
plus Opening deferred tax
Opening RIV

98,825	
(4,485)	
	94,340

Line charge revenue

20,401

Expenses cash outflow
add Assets commissioned
less Asset disposals
add Tax payments
less Other regulated income

11,551	
4,504	
–	
775	
–	

Mid-year net cash outflows

16,830

Term credit spread differential allowance

–

Total closing RAB value
less Adjustment resulting from asset allocation
less Lost and found assets adjustment
plus Closing deferred tax

100,426	
(2)	
–	
(4,960)	

Closing RIV

95,468

ROI – comparable to a vanilla WACC

4.97%

Leverage (%)
Cost of debt assumption (%)
Corporate tax rate (%)

42%
2.82%
28%

ROI – comparable to a post tax WACC

4.64%

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).

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sch ref

2(iii): Information Supporting the Monthly ROI

Opening RIV

N/A

	Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
April						-
May						-
June						-
July						-
August						-
September						-
October						-
November						-
December						-
January						-
February						-
March						-
Total	-	-	-	-	-	-

Tax payments

N/A

Term credit spread differential allowance

N/A

Closing RIV

N/A

Monthly ROI – comparable to a vanilla WACC

N/A

Monthly ROI – comparable to a post tax WACC

N/A

2(iv): Year-End ROI Rates for Comparison Purposes

Year-end ROI – comparable to a vanilla WACC

4.86%

Year-end ROI – comparable to a post tax WACC

4.53%

* these year-end ROI values are comparable to the ROI reported in pre 2012 disclosures by EDBs and do not represent the Commission's current view on ROI.

2(v): Financial Incentives and Wash-Ups

Net recoverable costs allowed under incremental rolling incentive scheme

-

Purchased assets – avoided transmission charge

N/A

Energy efficiency and demand incentive allowance

N/A

Quality incentive adjustment

N/A

Other financial incentives

N/A

Financial incentives

-

Impact of financial incentives on ROI

-

Input methodology claw-back

N/A

CPP application recoverable costs

N/A

Catastrophic event allowance

N/A

Capex wash-up adjustment

N/A

Transmission asset wash-up adjustment

N/A

2013–15 NPV wash-up allowance

N/A

Reconsideration event allowance

N/A

Other wash-ups

N/A

Wash-up costs

-

Impact of wash-up costs on ROI

-

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

7	3(i): Regulatory Profit	(\$000)
8	Income	
9	Line charge revenue	20,401
10	plus Gains / (losses) on asset disposals	
11	plus Other regulated income (other than gains / (losses) on asset disposals)	
12		
13	Total regulatory income	20,401
14	Expenses	
15	less Operational expenditure	7,089
16		
17	less Pass-through and recoverable costs excluding financial incentives and wash-ups	4,462
18		
19	Operating surplus / (deficit)	8,850
20		
21	less Total depreciation	4,400
22		
23	plus Total revaluations	1,499
24		
25	Regulatory profit / (loss) before tax	5,949
26		
27	less Term credit spread differential allowance	—
28		
29	less Regulatory tax allowance	1,251
30		
31	Regulatory profit/(loss) including financial incentives and wash-ups	4,698
32		
33	3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups	(\$000)
34	Pass through costs	
35	Rates	112
36	Commerce Act levies	11
37	Industry levies	55
38	CPP specified pass through costs	N/A
39	Recoverable costs excluding financial incentives and wash-ups	
40	Electricity lines service charge payable to Transpower	4,083
41	Transpower new investment contract charges	201
42	System operator services	N/A
43	Distributed generation allowance	N/A
44	Extended reserves allowance	N/A
45	Other recoverable costs excluding financial incentives and wash-ups	N/A
46	Pass-through and recoverable costs excluding financial incentives and wash-ups	4,462
47		

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

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sch ref

3(iii): Incremental Rolling Incentive Scheme

(\$000)

		CY-1 31 Mar 20	CY 31 Mar 21
48			
49			
50			
51	Allowed controllable opex	N/A	N/A
52	Actual controllable opex	N/A	N/A
53			
54	Incremental change in year		N/A
55			

		Previous years' incremental change	Previous years' incremental change adjusted for inflation
56			
57	CY-5 31 Mar 16	N/A	N/A
58	CY-4 31 Mar 17	N/A	N/A
59	CY-3 31 Mar 18	N/A	N/A
60	CY-2 31 Mar 19	N/A	N/A
61	CY-1 31 Mar 20	N/A	N/A

62 Net incremental rolling incentive scheme

--

63 Net recoverable costs allowed under incremental rolling incentive scheme

--

3(iv): Merger and Acquisition Expenditure

(\$000)

64	Merger and acquisition expenditure	N/A
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65 Provide commentary on the benefits of merger and acquisition expenditure to the electricity distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)

3(v): Other Disclosures

(\$000)

66	Self-insurance allowance	N/A
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Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.

EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(i): Regulatory Asset Base Value (Rolled Forward)		for year ended				
		RAB 31 Mar 17 (\$000)	RAB 31 Mar 18 (\$000)	RAB 31 Mar 19 (\$000)	RAB 31 Mar 20 (\$000)	RAB 31 Mar 21 (\$000)
7						
8						
9						
10	Total opening RAB value	81,660	86,879	91,008	95,283	98,825
11						
12	less Total depreciation	3,709	3,727	4,019	4,123	4,400
13						
14	plus Total revaluations	1,762	952	1,349	2,413	1,499
15						
16	plus Assets commissioned	7,347	7,130	6,945	5,335	4,504
17						
18	less Asset disposals	181	226	—	—	—
19						
20	plus Lost and found assets adjustment					—
21						
22	plus Adjustment resulting from asset allocation				(83)	(2)
23						
24	Total closing RAB value	86,879	91,008	95,283	98,825	100,426
25						
26						
27	4(ii): Unallocated Regulatory Asset Base					
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49						
50						

	Unallocated RAB *	RAB
	(\$000)	(\$000)
29	99,710	98,825
30		
31	4,640	4,400
32		
33	1,513	1,499
34		
35	4,218	4,056
36		
37	448	448
38	4,666	4,504
39		
40		
41		
42		
43	—	—
44		
45		
46		
47		(2)
48		
49	101,249	100,426

* The 'unallocated RAB' is the total value of those assets used wholly or partially to provide electricity distribution services without any allowance being made for the allocation of costs to services provided by the supplier that are not electricity distribution services. The RAB value represents the value of these assets after applying this cost allocation. Neither value includes works under construction.

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.

EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

51

52 4(iii): Calculation of Revaluation Rate and Revaluation of Assets

53

54

CPI_t

1,068

55

CPI_{t-4}

1,052

56

Revaluation rate (%)

1.52%

57

58

59

60

Total opening RAB value

99,710

61

less Opening value of fully depreciated, disposed and lost assets

263

62

Total opening RAB value subject to revaluation

63

Total revaluations

64

65

66 4(iv): Roll Forward of Works Under Construction

67

68

Works under construction—preceding disclosure year

69

plus Capital expenditure

70

less Assets commissioned

71

plus Adjustment resulting from asset allocation

72

Works under construction - current disclosure year

73

74

Highest rate of capitalised finance applied

75

Unallocated RAB *

RAB

(\$000)

(\$000)

(\$000)

(\$000)

99,710

98,825

263

263

99,447

98,562

1,513

1,499

Unallocated works under
construction

Allocated works under construction

772

752

7,287

6,965

4,666

4,504

3,393

3,213

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.

EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(v): Regulatory Depreciation

Depreciation - standard
 Depreciation - no standard life assets
 Depreciation - modified life assets
 Depreciation - alternative depreciation in accordance with CPP
 Total depreciation

Unallocated RAB *		RAB	
(\$000)	(\$000)	(\$000)	(\$000)
3,626		3,626	
1,014		774	
	4,640		4,400

4(vi): Disclosure of Changes to Depreciation Profiles

(\$000 unless otherwise specified)

Asset or assets with changes to depreciation*	Reason for non-standard depreciation (text entry)	Depreciation charge for the period (RAB)	Closing RAB value under 'non-standard' depreciation	Closing RAB value under 'standard' depreciation

* include additional rows if needed

4(vii): Disclosure by Asset Category

(\$000 unless otherwise specified)

	Subtransmission lines	Subtransmission cables	Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total
Total opening RAB value	11,002	1,441	16,344	28,645	8,180	16,988	10,094	1,887	4,244	98,825
less Total depreciation	304	27	532	1,231	397	625	424	86	774	4,400
plus Total revaluations	167	22	249	435	124	258	153	29	62	1,499
plus Assets commissioned	144	-	913	1,239	372	486	785	11	554	4,504
less Asset disposals										-
plus Lost and found assets adjustment										-
plus Adjustment resulting from asset allocation									(2)	(2)
plus Asset category transfers										-
Total closing RAB value	11,009	1,436	16,974	29,088	8,279	17,107	10,608	1,841	4,084	100,426
Asset Life										
Weighted average remaining asset life	42.8	51.9	36.2	35.6	37.2	33.1	28.3	23.3	34.4	(years)
Weighted average expected total asset life	51.6	62.5	48.9	54.0	52.4	49.1	38.5	30.3	37.4	(years)

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 70.

sch ref

5a(i): Regulatory Tax Allowance

(\$000)

Regulatory profit / (loss) before tax

5,949

plus Income not included in regulatory profit / (loss) before tax but taxable
 Expenditure or loss in regulatory profit / (loss) before tax but not deductible
 Amortisation of initial differences in asset values
 Amortisation of revaluations

*
 17
 1,132
 453
 1,602

less Total revaluations
 Income included in regulatory profit / (loss) before tax but not taxable
 Discretionary discounts and customer rebates
 Expenditure or loss deductible but not in regulatory profit / (loss) before tax
 Notional deductible interest

1,499
 *
 482
 *
 1,102
 3,083

Regulatory taxable income

4,467

less Utilised tax losses
 Regulatory net taxable income

4,467

Corporate tax rate (%)

28%

Regulatory tax allowance

1,251

* Workings to be provided in Schedule 14

5a(ii): Disclosure of Permanent Differences

In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).

5a(iii): Amortisation of Initial Difference in Asset Values

(\$000)

Opening unamortised initial differences in asset values
 less Amortisation of initial differences in asset values
 plus Adjustment for unamortised initial differences in assets acquired
 less Adjustment for unamortised initial differences in assets disposed
 Closing unamortised initial differences in asset values

24,893
 1,132
 23,762

Opening weighted average remaining useful life of relevant assets (years)

22

Company Name
For Year EndedNetwork Waitaki Limited
31 March 2021**SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE**

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes).

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section

sch ref

44	5a(iv): Amortisation of Revaluations		(\$000)
45			
46	Opening sum of RAB values without revaluations	91,223	
47			
48	Adjusted depreciation	3,947	
49	Total depreciation	4,400	
50	Amortisation of revaluations		453
51			
52	5a(v): Reconciliation of Tax Losses		(\$000)
53			
54	Opening tax losses	-	
55	plus Current period tax losses		
56	less Utilised tax losses		
57	Closing tax losses		-
58	5a(vi): Calculation of Deferred Tax Balance		(\$000)
59			
60	Opening deferred tax	(4,485)	
61			
62	plus Tax effect of adjusted depreciation	1,105	
63			
64	less Tax effect of tax depreciation	1,803	
65			
66	plus Tax effect of other temporary differences*	539	
67			
68	less Tax effect of amortisation of initial differences in asset values	317	
69			
70	plus Deferred tax balance relating to assets acquired in the disclosure year	-	
71			
72	less Deferred tax balance relating to assets disposed in the disclosure year	-	
73			
74	plus Deferred tax cost allocation adjustment	(0)	
75			
76	Closing deferred tax		(4,960)
77			
78	5a(vii): Disclosure of Temporary Differences		
79	In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).		
80			
81	5a(viii): Regulatory Tax Asset Base Roll-Forward		(\$000)
82			
83	Opening sum of regulatory tax asset values	56,204	
84	less Tax depreciation	6,440	
85	plus Regulatory tax asset value of assets commissioned	5,950	
86	less Regulatory tax asset value of asset disposals		
87	plus Lost and found assets adjustment		
88	plus Adjustment resulting from asset allocation	(2)	
89	plus Other adjustments to the RAB tax value		
90	Closing sum of regulatory tax asset values		55,712

Company Name

Network Waitaki Limited

For Year Ended

31 March 2021

SCHEDULE 5b: REPORT ON RELATED PARTY TRANSACTIONS

This schedule provides information on the valuation of related party transactions, in accordance with clause 2.3.6 of the ID determination.

This information is part of audited disclosure information (as defined in clause 1.4 of the ID determination), and so is subject to the assurance report required by clause 2.8.

sch ref

5b(i): Summary—Related Party Transactions

(\$000)

(\$000)

Total regulatory income

Market value of asset disposals

Service interruptions and emergencies

Vegetation management

Routine and corrective maintenance and inspection

Asset replacement and renewal (opex)

Network opex

Business support

System operations and network support

Operational expenditure

Consumer connection

System growth

Asset replacement and renewal (capex)

Asset relocations

Quality of supply

Legislative and regulatory

Other reliability, safety and environment

Expenditure on non-network assets**Expenditure on assets**

Cost of financing

Value of capital contributions

Value of vested assets

Capital Expenditure**Total expenditure**

Other related party transactions

5b(iii): Total Opex and Capex Related Party Transactions

Name of related party		Nature of opex or capex service provided	Total value of transactions (\$000)
Whitestone Contracting Ltd		Service interruptions and emergencies	6
Whitestone Contracting Ltd		Routine and corrective maintenance and inspection	19
Whitestone Contracting Ltd		Asset replacement and renewal (opex)	2
Whitestone Contracting Ltd		System operations and network support	1
Whitestone Contracting Ltd		Consumer connection	188
Whitestone Contracting Ltd		System growth	117
Whitestone Contracting Ltd		Asset replacement and renewal (capex)	113
Whitestone Contracting Ltd		Asset relocations	14
Whitestone Contracting Ltd		Quality of supply	1
Whitestone Contracting Ltd		Legislative and regulatory	10
Whitestone Contracting Ltd		Expenditure on non-network assets	5
Total value of related party transactions			476

* include additional rows if needed

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

This schedule is only to be completed if, as at the date of the most recently published financial statements, the weighted average original tenor of the debt portfolio (both qualifying debt and non-qualifying debt) is greater than five years.
 This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5c(i): Qualifying Debt (may be Commission only)

Issuing party	Issue date	Pricing date	Original tenor (in years)	Coupon rate (%)	Book value at issue date (NZD)	Book value at date of financial statements (NZD)	Term Credit Spread Difference	Debt issue cost readjustment
* include additional rows if needed						—	—	—

5c(ii): Attribution of Term Credit Spread Differential

Gross term credit spread differential

—

Total book value of interest bearing debt

Leverage

42%

Average opening and closing RAB values

Attribution Rate (%)

—

Term credit spread differential allowance

—

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(i): Operating Cost Allocations					
		Value allocated (\$000s)			
	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase (\$000s)
Service interruptions and emergencies					
Directly attributable		757			
Not directly attributable				-	
Total attributable to regulated service		757			
Vegetation management					
Directly attributable		501			
Not directly attributable				-	
Total attributable to regulated service		501			
Routine and corrective maintenance and inspection					
Directly attributable		834			
Not directly attributable				-	
Total attributable to regulated service		834			
Asset replacement and renewal					
Directly attributable		438			
Not directly attributable				-	
Total attributable to regulated service		438			
System operations and network support					
Directly attributable		1,822			
Not directly attributable				-	
Total attributable to regulated service		1,822			
Business support					
Directly attributable		381			
Not directly attributable		2,356	1,246	3,602	
Total attributable to regulated service		2,737			
Operating costs directly attributable					
Operating costs not directly attributable	-	2,356	1,246	3,602	-
Operational expenditure		7,089			

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(ii): Other Cost Allocations

Pass through and recoverable costs (\$000)

Pass through costs

Directly attributable	178
Not directly attributable	
Total attributable to regulated service	178

Recoverable costs

Directly attributable	4,284
Not directly attributable	
Total attributable to regulated service	4,284

5d(iii): Changes in Cost Allocations* †

Change in cost allocation 1				
Cost category	N/A	Original allocation	CY-1	Current Year (CY)
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-

Rationale for change

Change in cost allocation 2				
Cost category	N/A	Original allocation	CY-1	Current Year (CY)
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-

Rationale for change

Change in cost allocation 3				
Cost category	N/A	Original allocation	CY-1	Current Year (CY)
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-

Rationale for change

* a change in cost allocation must be completed for each cost allocator change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component.

† include additional rows if needed

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

This schedule requires information on the allocation of asset values. This information supports the calculation of the RAB value in Schedule 4. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any changes in asset allocations. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5e(i): Regulated Service Asset Values

	Value allocated (\$000s) Electricity distribution services
Subtransmission lines	
Directly attributable	11,009
Not directly attributable	
Total attributable to regulated service	11,009
Subtransmission cables	
Directly attributable	1,436
Not directly attributable	
Total attributable to regulated service	1,436
Zone substations	
Directly attributable	16,974
Not directly attributable	
Total attributable to regulated service	16,974
Distribution and LV lines	
Directly attributable	29,088
Not directly attributable	
Total attributable to regulated service	29,088
Distribution and LV cables	
Directly attributable	8,279
Not directly attributable	
Total attributable to regulated service	8,279
Distribution substations and transformers	
Directly attributable	17,107
Not directly attributable	
Total attributable to regulated service	17,107
Distribution switchgear	
Directly attributable	10,608
Not directly attributable	
Total attributable to regulated service	10,608
Other network assets	
Directly attributable	1,841
Not directly attributable	
Total attributable to regulated service	1,841
Non-network assets	
Directly attributable	1,249
Not directly attributable	2,835
Total attributable to regulated service	4,084
Regulated service asset value directly attributable	97,591
Regulated service asset value not directly attributable	2,835
Total closing RAB value	100,426

5e(ii): Changes in Asset Allocations* †

			(\$000)	
			CY-1	Current Year (CY)
Change in asset value allocation 1				
Asset category	N/A	Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
Change in asset value allocation 2				
Asset category	N/A	Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
Change in asset value allocation 3				
Asset category	N/A	Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				

* a change in asset allocation must be completed for each allocator or component change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component
 † include additional rows if needed

Company Name **Network Waitaki Limited**
For Year Ended **31 March 2021**

SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs.

EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

6a(i): Expenditure on Assets

	(\$000)	(\$000)
Consumer connection		1,624
System growth		2,866
Asset replacement and renewal		2,445
Asset relocations		366
Reliability, safety and environment:		
Quality of supply	462	
Legislative and regulatory	248	
Other reliability, safety and environment	-	
Total reliability, safety and environment		710
Expenditure on network assets		8,011
Expenditure on non-network assets		1,035
Expenditure on assets		9,046
plus Cost of financing		-
less Value of capital contributions		2,081
plus Value of vested assets		-
Capital expenditure		6,965

6a(ii): Subcomponents of Expenditure on Assets (where known)

	(\$000)
Energy efficiency and demand side management, reduction of energy losses	-
Overhead to underground conversion	109
Research and development	-

6a(iii): Consumer Connection

	(\$000)	(\$000)
<i>Consumer types defined by EDB*</i>		
Independent Contract Customers - Large Commercial and Industrial	-	
Small Consumers - residential and commercial to 15kVA	617	
Medium Consumers - residential and commercial 16kVA to 50kVA	134	
Large Consumers - commercial and industrial 51kVA and above	873	
<i>* include additional rows if needed</i>		
Consumer connection expenditure		1,624
less Capital contributions funding consumer connection expenditure	1,213	
Consumer connection less capital contributions		411

6a(iv): System Growth and Asset Replacement and Renewal

	System Growth (\$000)	Asset Replacement and Renewal (\$000)
Subtransmission	2,093	16
Zone substations	501	82
Distribution and LV lines	272	1,926
Distribution and LV cables	-	107
Distribution substations and transformers	-	193
Distribution switchgear	-	121
Other network assets	-	-
System growth and asset replacement and renewal expenditure	2,866	2,445
less Capital contributions funding system growth and asset replacement and renewal	868	-
System growth and asset replacement and renewal less capital contributions	1,998	2,445

6a(v): Asset Relocations

	(\$000)	(\$000)
<i>Project or programme*</i>		
Ruataniwha Realignment	117	
Feeder Relocation Duntroon Substation	128	
Underground 11kV Livingstone-Duntroon Road	36	
Underground 11 kV Tokarahi Golf Course	45	
Underground 11 kV Tokarahi-Duntroon Rd	28	
<i>* include additional rows if needed</i>		
All other projects or programmes - asset relocations	12	
Asset relocations expenditure		366
less Capital contributions funding asset relocations		-
Asset relocations less capital contributions		366

Company Name

Network Waitaki Limited

For Year Ended

31 March 2021

SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs.

EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

6a(vi): Quality of Supply

Project or programme*

(\$000)

(\$000)

Pukeuri Zone Sub Dual Transformer Upgrade

33

Arc Flash Protection Zone Subs

66

EDE ABS Replacement

171

Install Reclosers for Automation

40

Backup Control Room

137

* include additional rows if needed

All other projects programmes - quality of supply

15

Quality of supply expenditure

462

less Capital contributions funding quality of supply

Quality of supply less capital contributions

462

6a(vii): Legislative and Regulatory

Project or programme*

(\$000)

(\$000)

Distribution Box Replacements

67

Safety and Reliability Improvements

150

* include additional rows if needed

All other projects or programmes - legislative and regulatory

31

Legislative and regulatory expenditure

248

less Capital contributions funding legislative and regulatory

Legislative and regulatory less capital contributions

248

6a(viii): Other Reliability, Safety and Environment

Project or programme*

(\$000)

(\$000)

* include additional rows if needed

All other projects or programmes - other reliability, safety and environment

Other reliability, safety and environment expenditure

-

less Capital contributions funding other reliability, safety and environment

Other reliability, safety and environment less capital contributions

-

6a(ix): Non-Network Assets**Routine expenditure**

Project or programme*

(\$000)

(\$000)

Buildings and Fitout

610

Computer Hardware

104

Computer Software

208

Office Equipment

51

Plant and Equipment

15

Vehicles

46

* include additional rows if needed

All other projects or programmes - routine expenditure

1

Routine expenditure

1,035

Atypical expenditure

Project or programme*

(\$000)

(\$000)

* include additional rows if needed

All other projects or programmes - atypical expenditure

Atypical expenditure

-

Expenditure on non-network assets

1,035

Company Name **Network Waitaki Limited**For Year Ended **31 March 2021****SCHEDULE 6b: REPORT ON OPERATIONAL EXPENDITURE FOR THE DISCLOSURE YEAR**

This schedule requires a breakdown of operational expenditure incurred in the disclosure year.

EDBs must provide explanatory comment on their operational expenditure in Schedule 14 (Explanatory notes to templates). This includes explanatory comment on any atypical operational expenditure and assets replaced or renewed as part of asset replacement and renewal operational expenditure, and additional information on insurance.

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

		(\$000)	(\$000)
7	6b(i): Operational Expenditure		
8	Service interruptions and emergencies	757	
9	Vegetation management	501	
10	Routine and corrective maintenance and inspection	834	
11	Asset replacement and renewal	438	
12	Network opex		2,530
13	System operations and network support	1,822	
14	Business support	2,737	
15	Non-network opex		4,559
16			
17	Operational expenditure		7,089
18	6b(ii): Subcomponents of Operational Expenditure (where known)		
19	Energy efficiency and demand side management, reduction of energy losses		
20	Direct billing*		
21	Research and development		
22	Insurance		149
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		



Company Name

Network Waitaki Limited

For Year Ended

31 March 2021

SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE

This schedule compares actual revenue and expenditure to the previous forecasts that were made for the disclosure year. Accordingly, this schedule requires the forecast revenue and expenditure information from previous disclosures to be inserted.

EDBs must provide explanatory comment on the variance between actual and target revenue and forecast expenditure in Schedule 14 (Mandatory Explanatory Notes). This information is part of the audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8. For the purpose of this audit, target revenue and forecast expenditures only need to be verified back to previous disclosures.

sch ref

7	7(i): Revenue	Target (\$000) ¹	Actual (\$000)	% variance
8	Line charge revenue	19,633	20,401	4%
9	7(ii): Expenditure on Assets	Forecast (\$000) ²	Actual (\$000)	% variance
10	Consumer connection	1,084	1,624	50%
11	System growth	2,314	2,866	24%
12	Asset replacement and renewal	2,880	2,445	(15%)
13	Asset relocations	131	366	179%
14	Reliability, safety and environment:			
15	Quality of supply	927	462	(50%)
16	Legislative and regulatory	698	248	(64%)
17	Other reliability, safety and environment	—	—	—
18	Total reliability, safety and environment	1,625	710	(56%)
19	Expenditure on network assets	8,034	8,011	(0%)
20	Expenditure on non-network assets	5,255	1,035	(80%)
21	Expenditure on assets	13,289	9,046	(32%)
22	7(iii): Operational Expenditure			
23	Service interruptions and emergencies	450	757	68%
24	Vegetation management	629	501	(20%)
25	Routine and corrective maintenance and inspection	940	834	(11%)
26	Asset replacement and renewal	310	438	41%
27	Network opex	2,329	2,530	9%
28	System operations and network support	1,003	1,822	82%
29	Business support	1,989	2,737	38%
30	Non-network opex	2,992	4,559	52%
31	Operational expenditure	5,321	7,089	33%
32	7(iv): Subcomponents of Expenditure on Assets (where known)			
33	Energy efficiency and demand side management, reduction of energy losses	N/A	—	—
34	Overhead to underground conversion	55	109	98%
35	Research and development	N/A	—	—
36				
37	7(v): Subcomponents of Operational Expenditure (where known)			
38	Energy efficiency and demand side management, reduction of energy losses	N/A	—	—
39	Direct billing	N/A	—	—
40	Research and development	N/A	—	—
41	Insurance	117	149	27%

1 From the nominal dollar target revenue for the disclosure year disclosed under clause 2.4.3(3) of this determination

2 From the CY+1 nominal dollar expenditure forecasts disclosed in accordance with clause 2.6.6 for the forecast period starting at the beginning of the disclosure year (the second to last disclosure of Schedules 11a and 11b)



Company Name
For Year Ended
Network / Sub-Network Name

Network Waitaki Limited
31 March 2021

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the ED8 in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

8(i): Billed Quantities by Price Component

Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Average no. of ICPs in disclosure year	Energy delivered to ICPs in disclosure year (MWh)
RLC	Residential and Commercial	Standard	4,404	25,775
RLU	Residential and Commercial	Standard	797	3,703
15C	Residential and Commercial	Standard	4,112	37,772
15U	Residential and Commercial	Standard	1,683	8,460
30C	Residential and Commercial	Standard	204	2,570
30U	Residential and Commercial	Standard	461	4,614
50C	Residential and Commercial	Standard	154	4,575
50U	Residential and Commercial	Standard	621	18,360
100	Commercial and Industrial	Standard	358	36,465
200	Commercial and Industrial	Standard	126	23,887
300	Commercial and Industrial	Standard	54	12,282
500	Commercial and Industrial	Standard	24	15,192
750	Commercial and Industrial	Standard	12	9,011
IND	Large Commercial and Industrial	Non-standard	87	88,257
Add extra rows for additional consumer groups or price category codes as necessary				
Standard consumer totals			13,010	202,667
Non-standard consumer totals			87	88,257
Total for all consumers			13,097	290,925

Unit charging basis (eg, days, kW of demand, kVA of capacity, etc.)

Price component

Billed quantities by price component

Distribution Fixed	Distribution Variable Day	Distribution Variable Night	Transmission Fixed	Transmission Variable Day	Transmission Variable Night	IND Distribution	IND Transmission	IND Distribution	IND Transmission
ICP	MWh	MWh	ICP	MWh	MWh	MVA	MVA	Anytime MW	Anytime MW
4,404	18,574	7,201	4,404	18,574	7,201				
797	2,899	804	797	2,899	804				
4,112	26,683	11,089	4,112	26,683	11,089				
1,683	6,448	2,012	1,683	6,448	2,012				
204	1,841	729	204	1,841	729				
461	3,436	1,178	461	3,436	1,178				
154	3,103	1,473	154	3,103	1,473				
621	13,369	4,991	621	13,369	4,991				
358	25,788	10,677	358	25,788	10,677				
126	16,793	7,093	126	16,793	7,093				
54	8,702	3,581	54	8,702	3,581				
24	9,920	5,272	24	9,920	5,272				
12	5,668	3,343	12	5,668	3,343				
87			87			28	28	12	12
Add extra columns for additional billed quantities by price component as necessary									
13,009	143,224	59,443	13,009	143,224	59,443	-	-	-	-
87			87			28	28	12	12
13,096	143,224	59,443	13,096	143,224	59,443	28	28	12	12

Company Name	Network Waitaki Limited
For Year Ended	31 March 2021
Network / Sub-Network Name	

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the ED8 in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

8(ii): Line Charge Revenues (\$000) by Price Component

					Line charge revenues (\$000) by price component												Add extra columns for additional line charge revenues by price component as necessary			
					Price component	Distribution Fixed after discount		Distribution Variable Day	Distribution Variable Night	Transmission Fixed	Transmission Variable Day	Transmission Variable Night	IND Distribution	IND Transmission	IND Distribution	IND Transmission		IND Distribution Fixed	IND Transmission Fixed	
Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)		Total distribution line charge revenue	Total transmission line charge revenue (if available)	Rate (eg, \$ per day, 5 per kWh, etc.)	\$/ICP	\$/MWh	\$/MWh	\$/ICP	\$/MWh	\$/MWh	\$/kVA	\$/kVA		\$/kW	\$/kW	\$/ICP
RLC	Residential and Commercial	Standard	\$2,307		1,984	598		(\$137)	\$1,777	\$70	\$88	\$491	\$20							
RLU	Residential and Commercial	Standard	\$417		302	144		(\$12)	\$277	\$5	\$16	\$117	\$12							
15C	Residential and Commercial	Standard	\$3,280		2,706	827		\$764	\$1,612	\$77	\$169	\$629	\$29							
15U	Residential and Commercial	Standard	\$1,220		891	148		\$468	\$390	\$14	\$191	\$152	\$5							
30C	Residential and Commercial	Standard	\$237		163	73		\$48	\$111	\$5	\$27	\$44	\$2							
30U	Residential and Commercial	Standard	\$540		330	181		\$138	\$211	\$8	\$98	\$82	\$3							
50C	Residential and Commercial	Standard	\$374		247	109		\$71	\$190	\$10	\$25	\$74	\$4							
50U	Residential and Commercial	Standard	\$1,671		1,225	484		\$333	\$820	\$34	\$150	\$320	\$13							
100	Commercial and Industrial	Standard	\$2,803		2,065	762		\$373	\$1,595	\$74	\$111	\$622	\$28							
200	Commercial and Industrial	Standard	\$1,826		1,089	489		\$251	\$1,037	\$49	\$66	\$405	\$19							
300	Commercial and Industrial	Standard	\$971		659	255		\$153	\$538	\$25	\$36	\$210	\$9							
500	Commercial and Industrial	Standard	\$1,102		572	275		\$184	\$607	\$35	\$24	\$237	\$14							
750	Commercial and Industrial	Standard	\$645		459	162		\$111	\$348	\$23	\$17	\$136	\$9							
IND	Large Commercial and Industrial	Non-standard	\$3,006		1,708	1,298								\$957	\$623	\$646	\$292	\$106	\$382	
Add extra rows for additional consumer groups or price category codes as necessary																				
Standard consumer totals			\$17,395	—		\$12,692	\$4,704		\$2,744	\$9,515	\$433	\$1,018	\$3,519	\$167	—	—	—	—	—	
Non-standard consumer totals			\$3,006	—		\$1,708	\$1,298							\$957	\$623	\$646	\$292	\$106	\$382	
Total for all consumers			\$20,401	—		\$14,400	\$6,002		\$2,744	\$9,515	\$433	\$1,018	\$3,519	\$167	\$957	\$623	\$646	\$292	\$106	\$382

8(iii): Number of ICPs directly billed

Number of directly billed ICPs at year end

Check

Company Name **Network Waitaki Limited**For Year Ended **31 March 2021**

Network / Sub-network Name

SCHEDULE 9a: ASSET REGISTER

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

				Units	Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1-4)
8	Voltage	Asset category	Asset class					
9	All	Overhead Line	Concrete poles / steel structure	No.	9,018	9,066	48	4
10	All	Overhead Line	Wood poles	No.	12,581	12,582	1	4
11	All	Overhead Line	Other pole types	No.	100	4	(96)	4
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	217	218	0	4
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	4	4	0	4
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	N/A
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	N/A
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	18	19	1	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	1	1	-	4
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	1	1	-	4
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	N/A
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	101	94	(7)	4
29	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	11	11	-	4
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	44	46	2	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	80	84	4	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	4	4	-	4
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	23	23	-	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	1,252	1,255	3	3
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	N/A
37	HV	Distribution Line	SWER conductor	km	-	-	-	N/A
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	67	70	3	3
39	HV	Distribution Cable	Distribution UG PILC	km	9	11	2	3
40	HV	Distribution Cable	Distribution Submarine Cable	km	-	-	-	N/A
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	57	58	1	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	-	N/A
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	3,935	4,000	65	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	-	-	-	N/A
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	180	189	9	4
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	2,377	2,386	9	4
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	541	549	8	4
48	HV	Distribution Transformer	Voltage regulators	No.	38	38	-	4
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	N/A
50	LV	LV Line	LV OH Conductor	km	221	219	(2)	3
51	LV	LV Cable	LV UG Cable	km	101	102	1	3
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	79	99	20	4
53	LV	Connections	OH/UG consumer service connections	No.	13,056	13,127	71	3
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	162	170	8	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	-	4
56	All	Capacitor Banks	Capacitors including controls	No	2	2	-	4
57	All	Load Control	Centralised plant	Lot	3	3	-	4
58	All	Load Control	Relays	No	9,689	9,693	4	3
59	All	Civils	Cable Tunnels	km	-	-	-	N/A

This schedule requires a summary of the age profile (based on year of installation) of the assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

EDB-ID-Determination-for-Schedules-1-to-10-v4.1 - 2020-21 - 28 July 2021

Company Name

Network Waitaki Limited

For Year Ended

31 March 2021

Network / Sub-network Name

SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES

This schedule requires a summary of the key characteristics of the overhead line and underground cable network. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

9			
10	Circuit length by operating voltage (at year end)	Overhead (km)	Underground (km)
11	> 66kV	—	—
12	50kV & 66kV	—	—
13	33kV	218	4
14	SWER (all SWER voltages)	—	—
15	22kV (other than SWER)	—	—
16	6.6kV to 11kV (inclusive—other than SWER)	1,255	81
17	Low voltage (< 1kV)	219	102
18	Total circuit length (for supply)	1,692	187
19			
20	Dedicated street lighting circuit length (km)	65	34
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)		
22			
23	Overhead circuit length by terrain (at year end)	Circuit length (km)	(% of total overhead length)
24	Urban	356	21%
25	Rural	1,336	79%
26	Remote only	0	0%
27	Rugged only	—	—
28	Remote and rugged	—	—
29	Unallocated overhead lines	0	0%
30	Total overhead length	1,692	100%
31			
32		Circuit length (km)	(% of total circuit length)
33	Length of circuit within 10km of coastline or geothermal areas (where known)	705	38%
34		Circuit length (km)	(% of total overhead length)
35	Overhead circuit requiring vegetation management	17	1%

Company Name **Network Waitaki Limited**
 For Year Ended **31 March 2021**

SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS

This schedule requires information concerning embedded networks owned by an EDB that are embedded in another EDB's network or in another embedded network.

sch ref

	Location *	Number of ICPs served	Line charge revenue (\$000)
8	No embedded networks operate within the Network Waitaki network area or are operated elsewhere by Network Waitaki.		
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			

* Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network

Company Name

Network Waitaki Limited

For Year Ended

31 March 2021

Network / Sub-network Name

SCHEDULE 9e: REPORT ON NETWORK DEMAND

This schedule requires a summary of the key measures of network utilisation for the disclosure year (number of new connections including distributed generation, peak demand and electricity volumes conveyed).

sch ref

9e(i): Consumer Connections

Number of ICPs connected in year by consumer type

Consumer types defined by EDB*

Individual Contract customers - large commercial and industrial
Small customers - residential and commercial to 15kVA
Medium customers - residential and commercial 16kVA to 50kVA
Large customers - commercial and industrial 51kVA and above

* include additional rows if needed

Connections total

Number of
connections (ICPs)

-
100
9
12

121

Distributed generation

Number of connections made in year

Capacity of distributed generation installed in year

17 connections
0.28 MVA**9e(ii): System Demand****Maximum coincident system demand**

GXP demand
plus Distributed generation output at HV and above
Maximum coincident system demand
less Net transfers to (from) other EDBs at HV and above
Demand on system for supply to consumers' connection points

Demand at time
of maximum
coincident
demand (MW)

66.5
67
67

Electricity volumes carried

Electricity supplied from GXPs
less Electricity exports to GXPs
plus Electricity supplied from distributed generation
less Net electricity supplied to (from) other EDBs
Electricity entering system for supply to consumers' connection points
less Total energy delivered to ICPs
Electricity losses (loss ratio)

Energy (GWh)

307.03
0.37
307.40
290.92
16.5

5.36%

Load factor

0.53

9e(iii): Transformer Capacity

Distribution transformer capacity (EDB owned)
Distribution transformer capacity (Non-EDB owned, estimated)
Total distribution transformer capacity

(MVA)

220
29.6
249

Zone substation transformer capacity

228.0

Company Name **Network Waitaki Limited**For Year Ended **31 March 2021**

Network / Sub-network Name

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

10(i): Interruptions**Interruptions by class****Number of interruptions**

Class A (planned interruptions by Transpower)	–
Class B (planned interruptions on the network)	206
Class C (unplanned interruptions on the network)	104
Class D (unplanned interruptions by Transpower)	1
Class E (unplanned interruptions of EDB owned generation)	–
Class F (unplanned interruptions of generation owned by others)	–
Class G (unplanned interruptions caused by another disclosing entity)	–
Class H (planned interruptions caused by another disclosing entity)	–
Class I (interruptions caused by parties not included above)	64
Total	375

Interruption restoration**≤3Hrs >3hrs**

Class C interruptions restored within

78 26

SAIFI and SAIDI by class**SAIFI SAIDI**

Class A (planned interruptions by Transpower)	–	–
Class B (planned interruptions on the network)	0.37	100.38
Class C (unplanned interruptions on the network)	0.80	96.59
Class D (unplanned interruptions by Transpower)	0.12	1.85
Class E (unplanned interruptions of EDB owned generation)	–	–
Class F (unplanned interruptions of generation owned by others)	–	–
Class G (unplanned interruptions caused by another disclosing entity)	–	–
Class H (planned interruptions caused by another disclosing entity)	–	–
Class I (interruptions caused by parties not included above)	0.01	2.98
Total	1.30	201.80

Normalised SAIFI and SAIDI**Normalised SAIFI Normalised SAIDI**

Classes B & C (interruptions on the network)

1.17 146.74

Company Name **Network Waitaki Limited**For Year Ended **31 March 2021**

Network / Sub-network Name

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

10(ii): Class C Interruptions and Duration by Cause**Cause****SAIFI****SAIDI**

Lightning	0.00	0.03
Vegetation	0.07	7.63
Adverse weather	0.01	52.66
Adverse environment	0.00	2.88
Third party interference	0.24	13.29
Wildlife	0.01	0.68
Human error	0.01	0.03
Defective equipment	0.38	13.93
Cause unknown	0.08	5.46

10(iii): Class B Interruptions and Duration by Main Equipment Involved**Main equipment involved****SAIFI****SAIDI**

Subtransmission lines	0.00	0.14
Subtransmission cables	—	—
Subtransmission other	—	—
Distribution lines (excluding LV)	0.37	99.58
Distribution cables (excluding LV)	0.00	0.66
Distribution other (excluding LV)	—	—

10(iv): Class C Interruptions and Duration by Main Equipment Involved**Main equipment involved****SAIFI****SAIDI**

Subtransmission lines	0.12	5.66
Subtransmission cables	—	—
Subtransmission other	—	—
Distribution lines (excluding LV)	0.62	88.58
Distribution cables (excluding LV)	0.06	2.35
Distribution other (excluding LV)	—	—

10(v): Fault Rate**Main equipment involved****Number of Faults****Circuit length
(km)****Fault rate (faults
per 100km)**

Subtransmission lines	1	218	0.46
Subtransmission cables	—	4	—
Subtransmission other	—	—	—
Distribution lines (excluding LV)	100	1,255	7.97
Distribution cables (excluding LV)	3	81	3.69
Distribution other (excluding LV)	—	—	—
Total	104		

Appendix A – Related Party Disclosure Requirements

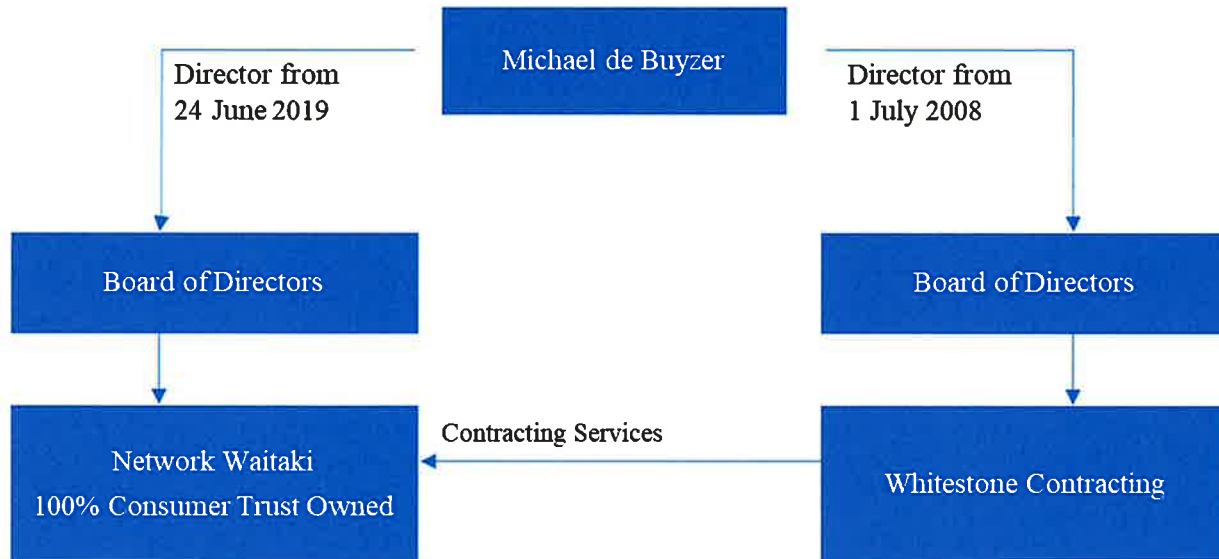
For the year ended 31 March 2021

Dated 31 August 2021

Requirement 2.3.8: Relationships between the EDB and the related party

2.3.8(1) What is the relationship between Network Waitaki and Whitestone Contracting?

As shown in the following diagram the relationship is one of common directorship. One of Network Waitaki's Directors, Michael de Buyzer, is also the Chairperson of Whitestone Contracting.



2.3.8(2) What are the principal activities of Whitestone Contracting?

Whitestone Contracting's principal activities relate to civil contracting and construction; water and drainage, cable and pipe location, asphalt, chipseal, road maintenance and plant hire.

Network Waitaki purchases civil contracting works from Whitestone Contracting in the ordinary course of providing an electricity distribution service. The terms governing this relationship were negotiated on an arms-length basis prior to the appointment of Michael de Buyzer to the Network Waitaki Board of Directors and have not changed since.

As the terms were negotiated prior to Whitestone Contracting becoming a deemed related party, these are considered fair market terms.

2.3.8(3) What is the total annual expenditure incurred by Network Waitaki with Whitestone Contracting?

Total annual expenditure for FY2021 is \$551,011. Due to the Information Disclosure related party definitions, related party expenditure in schedule 5b is \$476,000.

Company Name	Network Waitaki Limited
For Year Ended	31 March 2021

Schedule 14 Mandatory Explanatory Notes

(Guidance Note: This Microsoft Word version of Schedules 14, 14a and 15 is from the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018. Clause references in this template are to that determination)

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and subclauses 2.5.1(1)(f), and 2.5.2(1)(e).
2. This schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 11 of this schedule is part of the audited disclosure information, and so is subject to the assurance requirements specified in section 2.8.
3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for EDBs to give additional explanation of disclosed information should they elect to do so.

Return on Investment (Schedule 2)

4. In the box below, comment on return on investment as disclosed in Schedule 2. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 1: Explanatory comment on return on investment

Network Waitaki Limited's Return on Investment of 4.64% p.a. is above the 75th percentile WACC estimate of 4.40% p.a. but a reduction from last year's ROI of 4.89%. The relatively high ROI is due to higher than normal variable line charge revenue from irrigation customers due to a dry summer.

The ROI reflects a reasonable return on investment for the Waitaki Power Trust who represent the electricity consumers in the Waitaki District.

No items have been reclassified.

Regulatory Profit (Schedule 3)

5. In the box below, comment on regulatory profit for the disclosure year as disclosed in Schedule 3. This comment must include-
 - 5.1 a description of material items included in other regulated income (other than gains / (losses) on asset disposals), as disclosed in 3(i) of Schedule 3
 - 5.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 2: Explanatory comment on regulatory profit

Other regulated income was nil.

No items have been reclassified.

Merger and acquisition expenses (3(iv) of Schedule 3)

6. If the EDB incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below-

6.1 information on reclassified items in accordance with subclause 2.7.1(2)

6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

Box 3: Explanatory comment on merger and acquisition expenditure

No merger and acquisition expenditure this year.

Value of the Regulatory Asset Base (Schedule 4)

7. In the box below, comment on the value of the regulatory asset base (rolled forward) in Schedule 4. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 4: Explanatory comment on the value of the regulatory asset based (rolled forward)

The roll forward of Network Waitaki Limited's regulatory asset base was done using standard procedures. No items were reclassified this year.

Assets commissioned were 16% lower this year (\$4,504k) compared to last year (\$5,335k) with a significant project remaining under construction at period end.

Regulatory tax allowance: disclosure of permanent differences (5a(i) of Schedule 5a)

8. In the box below, provide descriptions and workings of the material items recorded in the following asterisked categories of 5a(i) of Schedule 5a-

8.1 Income not included in regulatory profit / (loss) before tax but taxable;

8.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible;

8.3 Income included in regulatory profit / (loss) before tax but not taxable;

8.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax.

Box 5: Regulatory tax allowance: permanent differences

Expenditure or loss in regulatory profit / (loss) before tax but not deductible of which \$17k is from entertainment expenses incurred by Network Waitaki Limited.

Regulatory tax allowance: disclosure of temporary differences (5a(vi) of Schedule 5a)

9. In the box below, provide descriptions and workings of material items recorded in the asterisked category 'Tax effect of other temporary differences' in 5a(vi) of Schedule 5a.

Box 6: Tax effect of other temporary differences (current disclosure year)

Temporary differences are the tax effect of the difference between the tax and information disclosure treatment of capital contribution income. This amounts to \$539k depicted in Schedule 5a(vi) 'Tax effect of other temporary differences', which is made up of the Tax effect of \$517k as shown in the table 1 below, plus the \$22k for provisions shown in table 2.

Table 1: derivation of \$459K Tax effect.

Capital contributions	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total remaining
624,775	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	-
1,127,125	-	- 112,713	- 112,713	- 112,713	- 112,713	- 112,713	- 112,713	- 112,713	- 112,713	- 112,713	112,713
1,459,782	-	-	- 145,978	- 145,978	- 145,978	- 145,978	- 145,978	- 145,978	- 145,978	- 145,978	291,956
3,362,025	-	-	-	- 336,203	- 336,203	- 336,203	- 336,203	- 336,203	- 336,203	- 336,203	1,008,608
2,480,806	-	-	-	-	- 248,081	- 248,081	- 248,081	- 248,081	- 248,081	- 248,081	992,323
2,034,517	-	-	-	-	-	- 203,452	- 203,452	- 203,452	- 203,452	- 203,452	1,017,259
1,667,619	-	-	-	-	-	-	- 166,762	- 166,762	- 166,762	- 166,762	1,000,572
1,790,631	-	-	-	-	-	-	-	- 179,063	- 179,063	- 179,063	1,253,442
1,829,497	-	-	-	-	-	-	-	-	- 182,950	- 182,950	1,463,597
2,075,308	-	-	-	-	-	-	-	-	-	- 207,531	1,867,777
16,376,778	- 62,477	- 175,190	- 321,168	- 657,371	- 905,451	- 1,108,903	- 1,275,665	- 1,454,728	- 1,637,678	- 1,845,209	9,008,245
	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	
	17	49	90	184	254	310	357	407	459	517	

Table 2: derivation of (\$22K) in provisions for leave etc.

Movement in provisions	Opening	Closing	Movement
Annual Leave	(400,695)	(496,391)	95,696
63 day adjustment	1,399	-	1,399
Long service leave	(97,249)	(111,582)	14,333
63 day adjustment	1,238	-	1,238
Gratuity	(77,384)	(80,172)	2,788
Doubtful Debt	(94,897)	(57,045)	(37,852)
Total	(667,588)	(745,190)	77,602
			28%
			22

Cost allocation (Schedule 5d)

10. In the box below, comment on cost allocation as disclosed in Schedule 5d. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 7: Cost allocation

The Business Support operational expenditure category has costs that are not directly attributable. ABAA was used as the allocation methodology in Business Support. Proxy cost allocators have been used for business support costs excluding IT costs due to no direct relationship between not directly attributable operating costs and the manner in which costs are incurred. IT costs are allocated on a causal allocator of the number of IT users.

Asset allocation (Schedule 5e)

11. In the box below, comment on asset allocation as disclosed in Schedule 5e. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 8: Commentary on asset allocation

The Non-network asset category has costs that are not directly attributable.

These include: Building & Fit-out, Office Equipment, Computers, Software, Motor Vehicles, Plant & Equipment, Generator.

The allocation methodology used in all cases is ABAA.

Proxy allocators of 80/20 are used as it is a fair reflection of the time spend on the network business except for computer and software assets which are allocated based on the number of IT users.

Proxy cost allocators have been used due to no direct relationship between not directly attributable non-network assets and the manner in which the economic benefits are derived.

Capital Expenditure for the Disclosure Year (Schedule 6a)

12. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6a. This comment must include-

12.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;

12.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 9: Explanation of capital expenditure for the disclosure year

No items have been reclassified this year.

No materiality threshold was applied. Projects as outlined in the network system reporting schedule were reported.

Expenditure is capital in nature if it relates to :

- a new asset on the network;
- the replacement of an existing asset; or
- an expense that extends the useful life of an existing asset.

Operational Expenditure for the Disclosure Year (Schedule 6b)

13. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-

13.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b;

13.2 Information on reclassified items in accordance with subclause 2.7.1(2);

13.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 6b, including the value of the expenditure, the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.

Box 10: Explanation of operational expenditure for the disclosure year

Asset replacement and renewal in this category generally covers lower level activities that are not classified as capital replacement. This covers activities such as:

- correcting minor defects found during line patrols (e.g. damaged insulators, crossarms, straightening leaning poles);
- defect remediation on service fuse boxes.
- transformer maintenance such as replacing minor components, rust repairs, and painting.

No items have been reclassified this year.

A major wind event in the North Otago/South Canterbury region in October 2020 accompanied by major wildfires at Ohau and Livingstone were the cause of significant atypical expenditure in the category of Service Interruptions and Emergencies, as the fault response was prolonged and widespread.

Variance between forecast and actual expenditure (Schedule 7)

14. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 11: Explanatory comment on variance in actual to forecast expenditure

Capital Expenditure

Expenditure on Consumer Connection was 50% greater than the forecast due to continued significant growth. Uncertainty over phasing of major customer driven developments, including a large subdivision, resulted in large expenditures to extend the distribution network earlier than what was originally forecast.

System Growth expenditure was 24% above forecast levels, primarily due to phasing on a substation project between FY20 and FY21 (\$390k variance) and a change in phasing of a major subtransmission project to suit operational requirements (\$260k variance).

Expenditure on the Asset Replacement and Renewal was 15% below forecast. We experienced significant disruptions to planned work due to Covid lockdowns and the response to a major wind storm and wildfire at Ohau. This led to prioritisation of condition-based replacement work, and deferral of two major planned renewal projects to later years.

Asset relocations were 179% over forecast due to work carried out by Network Waitaki for Transpower as part of the CUWLP project that was not being signalled at the time of original forecasts.

Expenditure in the category of Reliability, Safety and Environment - Quality of Supply was 50% below forecast across the category, due to a lower than expected failure rate of a particular brand of air break switch upon inspection. Other areas of reduction were due to deferral of the purchase of a spare ripple control unit and the installation of LV monitoring equipment.

Expenditure in the category of Reliability, Safety and Environment - Legislative and Regulatory was 64% below forecast levels due to phasing of the seismic resilience programme of works.

Expenditure on non-network assets was 80% lower than forecast due to rescheduling of the redevelopment project for our building and yard facilities.

Operational Expenditure

Service interruptions and emergencies was 68% higher than forecast expenditure due to the extended outage response and damage caused by the Ohau and Livingstone fires resulting in approximately \$233k unforeseen costs.

Vegetation management was 20% below forecast figures due to delays caused by the Covid lockdowns, and short term disruptions caused by transitioning vegetation management back in house.

Routine and corrective maintenance and inspection expenditure was 11% lower than forecast, which was largely due the classification of some costs for zone substation transformers (OLTC overhauls) being forecast in the routine maintenance category but landing in the renewal category. There were also some disruptions to planned work caused by the Covid-19 lockdowns.

Asset replacement and renewal expenditure was 41% higher than forecast expenditure mostly due to higher than forecast overhead activity for line repairs.

System Operation and Network support was 82% above forecast due to errors in calculating the regulated forecast expenditure. Expenditure is in line with budget and the most recent AMP has rectified this error.

Business Support costs were 39% higher than forecast due to errors in calculating the regulated forecast expenditure. Expenditure is in line with budget and the most recent AMP has rectified this error.

Information relating to revenues and quantities for the disclosure year

15. In the box below provide-

15.1 a comparison of the target revenue disclosed before the start of the disclosure year, in accordance with clause 2.4.1 and subclause 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and

15.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

Box 12: Explanatory comment relating to revenue for the disclosure year

Actual revenue was 4% higher than the target revenue (pre-fixed discount) stated in the pricing methodology. The revenue in schedule 8 reflects revenue post the fixed discount of \$1 million distributed to consumers during 2021. Total billable volumes were 15% higher than budgeted due to higher-than-normal irrigation demand.

Network Waitaki bills on GXP volumes (including losses) as reported by the Reconciliation Manager. Schedule 8 requires the reporting of energy delivered to ICPs and the billed quantities by price component. Under the GXP pricing methodology, the actual energy delivered to ICPs thus differs from the chargeable kWh quantities which include losses. Network Waitaki is reliant on the accuracy and completeness of information supplied to it by retailers for the measurement of electricity delivered to customers.

Network Reliability for the Disclosure Year (Schedule 10)

16. In the box below, comment on network reliability for the disclosure year, as disclosed in Schedule 10.

Box 13: Commentary on network reliability for the disclosure year

Network Waitaki's results for all categories as measured by SAIDI is unfavourable compared to last year, owing to fewer outages, but of greater impact to the network (including the significant outage associated with the Lake Ohau fire. SAIFI is favourable compared to last year - we continue to have a high number of outages to complete planned works, however when justified that it can be completed safely, live work is used to minimise customer impact.

A fire event in the Ohau area that started on 4 October 2020 resulted in significant damage and a number of customers (and their associated ICPs) experienced material interruptions to access to their homes and their supply of electricity. This was in part due to fire damage, in part due to restrictions to enable firefighting response and extensive restoration activities.

With an extended period of time that residents were excluded from their properties, Network Waitaki scheduled and executed restoration activities differently that it would have otherwise if residents had access to their homes and had an immediate need for electricity. This resulted in a significantly higher reported raw SAIDI for the event that is not reflective of the responsiveness of Network Waitaki as all residents of the Ohau village had supply restored before the date they were allowed back into their homes.

In determining SAIDI and SAIFI for this event Network Waitaki considered regulation, industry practice and an extensive review of the events and discussions with regulatory experts. The determination was slightly different and more complex compared to other major events as lines were de-energised for safety at the request of FENZ, residents were not able access their properties due to safety and properties were uninhabitable due to fire.

The SAIDI calculation included the outage time where Network Waitaki had access to effect restoration of supply until supply was actually restored, despite residents being restricted from entering their homes and also being "inactive" in the electricity registry. This resulted in a raw SAIDI and SAIFI of 52.61 minutes and 0.009 respectively. This event was normalised to the major event boundary value of 11.2 minutes.

Network Waitaki still has limited ability to independently verify its network reliability information due to the limitations of our systems, and lack of access to data relating to the status of individual customer premises (e.g. through the provision of retailer held smart meter data). SCADA switching times are only available for larger outages. In recent times, there has been more automated devices installed on the network, increasing the recorded outage times. For smaller outages the information is derived from consumer reports and fault documentation. These limitations are included in the network reliability information required to be disclosed in Reports 10(i) to 10(iv).

Insurance cover

17. In the box below, provide details of any insurance cover for the assets used to provide electricity distribution services, including-

Company Name	Network Waitaki Limited
For Year Ended	31 March 2021

Schedule 14a Mandatory Explanatory Notes on Forecast Information

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

1. This Schedule requires EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.6.
2. This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a)

3. In the box below, comment on the difference between nominal and constant price capital expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11a.

Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts

Network Waitaki has consistent with previous years, based predictions for CPI on information extracted from the Reserve Bank of New Zealand Monetary Policy Statement.

For CY+1 a CPI adjustment of 1.5% has been applied. For CY+2 a CPI adjustment of 1.7% has been applied. From CY+3 to CY+10 a CPI forecast of 2% per annum has been applied.

Commentary on difference between nominal and constant price operational expenditure forecasts (Schedule 11b)

4. In the box below, comment on the difference between nominal and constant price operational expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11b.

Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts

Network Waitaki has, consistent with previous years, based predictions for CPI on information extracted from the Reserve Bank of New Zealand Monetary Policy Statement.

For CY+1 a CPI adjustment of 1.5% has been applied. For CY+2 a CPI adjustment of 1.7% has been applied. From CY+3 to CY+10 a CPI forecast of 2% per annum has been applied.

- 17.1 The EDB's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;
- 17.2 In respect of any self insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

Box 14: Explanation of insurance cover

Network Waitaki insures its vehicles and buildings (including substations) and has public liability insurance. It does not insure its network, e.g. poles and lines, as it is not cost effective to do so.

Amendments to previously disclosed information

- 18. In the box below, provide information about amendments to previously disclosed information disclosed in accordance with clause 2.12.1 in the last 7 years, including:
 - 18.1 a description of each error; and
 - 18.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.12.1 is publicly disclosed.

Box 15: Disclosure of amendment to previously disclosed information

No material errors identified.

Company Name	<u>Network Waitaki Limited</u>
For Year Ended	<u>31 March 2021</u>

Schedule 15 Voluntary Explanatory Notes

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

1. This schedule enables EDBs to provide, should they wish to-
 - 1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1 and 2.5.2;
 - 1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.
2. Information in this schedule is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.
3. Provide additional explanatory comment in the box below.

Box 1: Voluntary explanatory comment on disclosed information

Schedule 9a and 9b

Continuing improvement in the accuracy of our GIS systems, and an ongoing review and cleanse of data led to corrections in recorded pole population, including identifying streetlight poles and correcting the private ownership status of some poles.

Schedule 9c

The 17km of overhead circuit requiring vegetation management is based on the actual number of recorded vegetation management jobs (excluding inspections) completed in FY21. The overhead network is also subject to regular vegetation inspections on a 4 yearly cycle (standard 11kV), 2 yearly cycle (strategically important 11kV) or annual basis (33kV subtransmission).

Schedule 10

Network Waitaki have treated successive interruptions the same way for the 2021 disclosure year as completed for the 2020 disclosure year. The process followed does not recognise successive interruptions following an initial outage as the disclosed SAIFI statistics only take into consideration the total unique ICPs affected by an outage.



Independent Assurance Report

To the Directors of Network Waitaki Limited and the Commerce Commission
For the disclosure year ended 31 March 2021
As required by the Electricity Distribution Information Disclosure Determination 2012

The Network Waitaki Limited (the Company) is required to disclose certain information under the Electricity Distribution Information Disclosure Determination 2012 (the Determination) and to procure an assurance report by an independent auditor in terms of section 2.8.1 of the Determination.

The Auditor-General is the auditor of the company.

The Auditor-General has appointed me, Nathan Wylie, using the staff and resources of PricewaterhouseCoopers, to undertake a reasonable assurance engagement, on his behalf, on whether the information prepared by the Company for the disclosure year ended 31 March 2021 (the Disclosure Information) complies, in all material respects, with the Determination.

The Disclosure Information that falls within the scope of the assurance engagement are:

- Schedules 1 to 4, 5a to 5g, 6a and 6b, 7, 10 and 14 (limited to the explanatory notes in boxes 1 to 11) of the Determination.
- Clause 2.3.6 of the Determination and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012 ('the IM Determination'), in respect of the basis for valuation of related party transactions ('the Related Party Transaction Information').

This assurance report should be read in conjunction with the Commerce Commission's Information Disclosure exemption, issued to all electricity distribution businesses on 17 May 2021 under clause 2.11 of the Determination. The Commerce Commission granted an exemption from the requirement that the assurance report, in respect of the information in Schedule 10 of the ID Determination, must take into account any issues arising out of the Company's recording of SAIDI, SAIFI, and number of interruptions due to successive interruptions.

Qualified Opinion

In our opinion, except for the possible effect of the matter described in the Basis for qualified opinion section of our report, in all material respects:

- as far as appears from an examination of them, proper records to enable the complete and accurate compilation of the Disclosure Information have been kept by the Company;
- as far as appears from an examination, the information used in the preparation of the Disclosure Information has been properly extracted from the Company's accounting and other records and has been sourced, where appropriate, from the Company's financial and non-financial systems;
- the Disclosure Information complies with the Determination; and
- the basis for valuation of related party transactions complies with the Determination and the IM Determination.

Basis of qualified opinion

As described in Box 13 of Schedule 14, there are inherent limitations in the ability of the Company to collect and record the network reliability information required to be disclosed in Schedules 10(i) to 10(iv). Consequently there is no independent evidence available to support the completeness and accuracy of recorded faults, and control over the completeness and accuracy of interconnection point ('ICP') data included in the SAIDI and SAIFI calculations was limited throughout the year.



There are no practical audit procedures that we could adopt to independently confirm that all the faults and ICP data was properly recorded for the purposes of inclusion in the amounts relating to quality measures set out in Schedules 10(i) to 10(iv). Because of the potential effect of these limitations, we are unable to obtain sufficient appropriate audit evidence to confirm the completeness and accuracy of the data that forms the basis of the compilation of Schedules 10(i) to 10(iv).

We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3100 (Revised) *Assurance Engagements on Compliance*, issued by the New Zealand Auditing and Assurance Standards Board. An engagement conducted in accordance with SAE (NZ) 3100 (Revised) requires that we comply with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*.

We have obtained sufficient recorded evidence and all the information and explanations we have required to provide a basis for our qualified opinion.

Key Assurance Matters

Key assurance matters are those matters that, in our professional judgement, required significant attention when carrying out the assurance engagement during the current disclosure year. These matters were addressed in the context of our compliance engagement, and in forming our opinion. We do not provide a separate opinion on these matters.

Key assurance matter	How our procedures addressed the key assurance matter
<p>Regulatory Asset Base</p> <p>The Regulatory Asset Base (RAB), as set out in Schedule 4, reflects the value of the Company's electricity distribution assets. These are valued using an indexed historic cost methodology prescribed by the Determination. It is a measure which is used widely and is key to measuring the Company's return on investment and therefore important when monitoring financial performance or setting electricity distribution prices.</p> <p>The RAB inputs, as set out in the Input Methodologies, are similar to those used in the measurement of fixed assets in the financial statements, however, there are a number of different requirements and complexities which require careful consideration.</p> <p>Due to the importance of the RAB within the regulatory regime, the incentives to overstate the RAB value, and complexities within the regulations, we have considered it to be a key area of focus.</p>	<p>We have obtained an understanding of the compliance requirements relevant to the RAB as set out in the Determination and the Input Methodologies (IMs).</p> <p>We have performed the following procedures:</p> <p>Assets commissioned</p> <ul style="list-style-type: none"> • We reconciled the assets commissioned, as per the regulatory fixed asset register, to the asset additions disclosed in the audited annual financial statements and investigated any reconciling items; • We inspected the assets commissioned during the period, as per the regulatory fixed asset register, to identify any specific cost or asset type exclusions, as set out in the Determination, which are required to be removed from the RAB; • We tested a sample of assets commissioned during the disclosure period for appropriate asset category classification; <p>Depreciation</p> <ul style="list-style-type: none"> • We compared the standard asset lives by asset category to those set out in the IMs;

Key assurance matter

How our procedures addressed the key assurance matter

- For assets with no standard asset lives we assessed the reasonableness of the lives used by reference to the accounting depreciation rates;
- We tested the mathematical accuracy of the regulatory depreciation expense calculation is in line with IM clause 2.2.5 on a sample basis;

Revaluation

- We recalculated the revaluation rate set out in the Input Methodologies using the relevant Consumer Price Index indices taken from the Statistics New Zealand website;
- We tested the mathematical accuracy of the revaluation calculation performed by management;

Disposals

- We inspected the asset disposals within the accounting fixed asset register to ensure disposals in the RAB meet the definition of a disposal per the IMs.

We have no matters to report from undertaking those procedures.

Cost and Asset Allocation

The Determination relates to information concerning the supply of electricity distribution services. In addition to the regulated supply of electricity, the Company also supplies customers with other unregulated services such as external contracting, metering and fibre services.

As set out in schedules 5d, 5e, 5f and 5g, costs and asset values that relate to electricity distribution services regulated under the Determination should comprise:

- all of the costs directly attributable to the regulated goods or services; and
- an allocated portion of the costs that are not directly attributable.

We obtained an understanding of the Company's cost and asset allocation processes and the methodologies applied.

Our procedures over cost and asset allocation included:

- Reconciling the regulated and unregulated financial information to the audited financial statements;

Classification as directly/not directly attributable

- Considering the appropriateness of the costs allocated as directly attributable, based on the nature and our understanding of the business to determine the reasonableness of the directly attributable classification;
- Testing a sample of transactions to ensure their classification as either directly attributable or not directly attributable costs are appropriate and in line with the Determination;

Key assurance matter

The IMs set out rules and processes for allocating costs and assets which are not directly attributable to either regulated or unregulated services. A number of screening tests apply which must be considered when deciding on the appropriate allocation method.

The Company has applied the Accounting-Based Allocation Approach Methodology (ABAA) utilising proxy cost and asset allocators to allocate the asset values and operating costs that are not directly attributable where causal relationships could not be identified.

Given the judgement involved in the application of the cost and asset allocation methodologies we consider it a key assurance matter.

How our procedures addressed the key assurance matter

- Inspecting the fixed asset register to identify any asset classes which based on their nature and our understanding of the business could be considered assets directly attributable to a specific business unit;
- Testing a sample of assets commissioned to work orders to ensure their classification as either directly attributable or not directly attributable are appropriate and in line with the Determination;

Appropriateness of the allocators used for not directly attributable costs and assets

- Considering the appropriateness of the cost and asset causal and proxy allocators used in applying the ABAA to not directly attributable costs including surveying a sample of staff to understand their role and allocation of time and inspecting supporting documentation;
- Understanding why causal relationships could not be identified in allocating costs or assets and ensuring appropriate disclosure has been included outlining these in Schedule 14; and
- Recalculating the split between not directly attributable costs and asset values allocated to electricity distribution services and non-electricity distribution services.

We have no matters to report from undertaking those procedures.

Directors' responsibilities

The directors of the Company are responsible in accordance with the Determination for:

- the preparation of the Disclosure Information; and
- the Related Party Transaction Information.

The directors of the Company are also responsible for the identification of risks that may threaten compliance with the schedules and clauses identified above and controls which will mitigate those risks and monitor ongoing compliance.

Auditor's responsibilities

Our responsibilities in terms of clauses 2.8.1(1)(b)(vi) and (vii), 2.8.1(1)(c) and 2.8.1(1)(d) are to express an opinion on whether:

- As far as appears from an examination, the information used in the preparation of the audited Disclosure Information has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems.
- As far as appears from an examination, proper records to enable the complete and accurate compilation of the audited Disclosure Information required by the Determination have been kept by the Company and, if not, the records not so kept.



- The Company complied, in all material respects, with the Determination in preparing the audited Disclosure Information.
- The Company's basis for valuation of related party transactions in the disclosure year has complied, in all material respects, with clause 2.3.6 of the Determination and clauses 2.2.11(1)(g) and 2.2.11(5) of the IM Determination.

To meet these responsibilities, we planned and performed procedures in accordance with SAE (NZ) 3100 (Revised), to obtain reasonable assurance about whether the Company has complied, in all material respects, with the Disclosure Information (which includes the Related Party Transaction Information) required to be audited by the Determination.

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

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 with the Determination may occur and not be detected. A reasonable assurance engagement throughout the disclosure year does not provide assurance on whether compliance with the Determination will continue in the future.

Restricted use


This report has been prepared for use by the directors of the Company and the Commerce Commission in accordance with clause 2.8.1(1)(a) of the Determination and is provided solely for the purpose of establishing whether the compliance requirements have been met. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the Company and the Commerce Commission, or for any other purpose than that for which it was prepared.

Independence and quality control

We complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

The Auditor-General, and his employees, and PricewaterhouseCoopers and its partners and employees may deal with the Company on normal terms within the ordinary course of trading activities of the Company. Other than any dealings on normal terms within the ordinary course of business, this engagement and the annual audit of the Company's financial statements, we have no relationship with or interests in the Company.



Nathan Wylie
PricewaterhouseCoopers
On behalf of the Auditor-General
Christchurch, New Zealand
26 July 2021

Certification for Yearend Disclosures

Pursuant to Schedule 18

Clause 2.9.2 of section 2.9

Electricity Distribution Information Disclosure Determination 2012

We, Messers. C.J. Dennison and A.J. Wood, being directors of Network Waitaki certify that, having made all reasonable enquiry, to the best of our knowledge:

- a) the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2 and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects comply with that determination; and
- b) the historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, and 14 has been properly extracted from Network Waitaki's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.
- c) In respect of information concerning assets, costs and revenues valued or disclosed in accordance with clause 2.3.6 of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012, we are satisfied that-
 - i. the costs and values of assets or goods or services acquired from a related party comply, in all material respects, with clauses 2.3.6(1) and 2.3.6(3) of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5)(a)-2.2.11(5)(b) of the Electricity Distribution Services Input Methodologies Determination 2012; and
 - ii. the value of assets or goods or services sold or supplied to a related party comply, in all material respects, with clause 2.3.6(2) of the Electricity Distribution Information Disclosure Determination 2012.


C.J. Dennison
Chairman of the Board of Directors


A.J. Wood
Chairman of the Audit & Finance Committee

Date: 26 July 2021

Date: 26 July 2021