



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

<b>Company Name</b>	Network Waitaki Limited
<b>Disclosure Date</b>	31 August 2022
<b>Disclosure Year (year ended)</b>	31 March 2022

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

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Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

## 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

7 <b>1(i): Expenditure metrics</b>		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)
8						
9	<b>Operational expenditure</b>	36,284	655	142,053	4,546	38,665
10	Network	12,423	224	48,637	1,557	13,239
11	Non-network	23,861	431	93,415	2,990	25,427
12						
13	<b>Expenditure on assets</b>	37,573	679	147,098	4,708	40,039
14	Network	34,948	631	136,819	4,379	37,241
15	Non-network	2,626	47	10,279	329	2,798
16						
17	<b>1(ii): Revenue metrics</b>					
18		Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)			
19	<b>Total consumer line charge revenue</b>	82,516	1,490			
20	Standard consumer line charge revenue	93,603	1,256			
21	Non-standard consumer line charge revenue	51,287	37,692			
22						
23	<b>1(iii): Service intensity measures</b>					
24						
25	Demand density	32				Maximum coincident system demand per km of circuit length (for supply) (kW/km)
26	Volume density	125				Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
27	Connection point density	7				Average number of ICPs per km of circuit length (for supply) (ICPs/km)
28	Energy intensity	18,061				Total energy delivered to ICPs per average number of ICPs (kWh/ICP)
29						
30	<b>1(iv): Composition of regulatory income</b>					
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	<b>1(v): Reliability</b>					
41						
42	Interruption rate		24.75			Interruptions per 100 circuit km

Company Name **Network Waitaki Limited**  
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## 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		CY-2	CY-1	Current Year CY
		31 Mar 20	31 Mar 21	31 Mar 22
		%	%	%
7	<b>ROI – comparable to a post tax WACC</b>			
8				
9	Reflecting all revenue earned	4.89%	4.64%	8.08%
10	Excluding revenue earned from financial incentives	4.89%	4.64%	8.08%
11	Excluding revenue earned from financial incentives and wash-ups	4.89%	4.64%	8.08%
12				
13				
14	<b>Mid-point estimate of post tax WACC</b>	4.27%	3.72%	3.52%
15	25th percentile estimate	3.59%	3.04%	2.84%
16	75th percentile estimate	4.95%	4.40%	4.20%
17				
18				
19	<b>ROI – comparable to a vanilla WACC</b>			
20	Reflecting all revenue earned	5.31%	4.97%	8.38%
21	Excluding revenue earned from financial incentives	5.31%	4.97%	8.38%
22	Excluding revenue earned from financial incentives and wash-ups	5.31%	4.97%	8.38%
23				
24	<b>WACC rate used to set regulatory price path</b>	N/A	N/A	N/A
25				
26	<b>Mid-point estimate of vanilla WACC</b>	4.69%	4.05%	3.82%
27	25th percentile estimate	4.01%	3.37%	3.14%
28	75th percentile estimate	5.37%	4.73%	4.50%
29				
30	<b>2(ii): Information Supporting the ROI</b>			
31				
32	Total opening RAB value	100,426		
33	plus Opening deferred tax	(4,960)		
34	<b>Opening RIV</b>		95,466	
35				
36	<b>Line charge revenue</b>		19,674	
37				
38	Expenses cash outflow	13,261		
39	add Assets commissioned	7,981		
40	less Asset disposals	–		
41	add Tax payments	293		
42	less Other regulated income	–		
43	<b>Mid-year net cash outflows</b>		21,535	
44				
45	<b>Term credit spread differential allowance</b>		–	
46				
47	Total closing RAB value	110,927		
48	less Adjustment resulting from asset allocation	(21)		
49	less Lost and found assets adjustment	–		
50	plus Closing deferred tax	(5,393)		
51	<b>Closing RIV</b>		105,555	
52				
53	<b>ROI – comparable to a vanilla WACC</b>			8.38%
54				
55	Leverage (%)			42%
56	Cost of debt assumption (%)			2.55%
57	Corporate tax rate (%)			28%
58				
59	<b>ROI – comparable to a post tax WACC</b>			8.08%
60				

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**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(iii): Information Supporting the Monthly ROI**

61								
62								
63	Opening RIV							N/A
64								
65								
66		Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows	
67	April							-
68	May							-
69	June							-
70	July							-
71	August							-
72	September							-
73	October							-
74	November							-
75	December							-
76	January							-
77	February							-
78	March							-
79	<b>Total</b>	-	-	-	-	-	-	-
80								
81	Tax payments							N/A
82								
83	Term credit spread differential allowance							N/A
84								
85	Closing RIV							N/A
86								
87								
88	Monthly ROI – comparable to a vanilla WACC							N/A
89								
90	Monthly ROI – comparable to a post tax WACC							N/A
91								

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

92			
93			
94	Year-end ROI – comparable to a vanilla WACC		8.27%
95			
96	Year-end ROI – comparable to a post tax WACC		7.97%
97			

\* 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**

100			
101			
102	Net recoverable costs allowed under incremental rolling incentive scheme		-
103	Purchased assets – avoided transmission charge	N/A	
104	Energy efficiency and demand incentive allowance		
105	Quality incentive adjustment	N/A	
106	Other financial incentives	N/A	
107	<b>Financial incentives</b>		-
108			
109	<b>Impact of financial incentives on ROI</b>		-
110			
111	Input methodology claw-back	N/A	
112	CPP application recoverable costs	N/A	
113	Catastrophic event allowance	N/A	
114	Capex wash-up adjustment	N/A	
115	Transmission asset wash-up adjustment	N/A	
116	2013–15 NPV wash-up allowance	N/A	
117	Reconsideration event allowance	N/A	
118	Other wash-ups	N/A	
119	<b>Wash-up costs</b>		-
120			
121	<b>Impact of wash-up costs on ROI</b>		-

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

### 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

3(i): Regulatory Profit		(\$000)
7	<b>Income</b>	
8	Line charge revenue	19,674
9		
10	plus Gains / (losses) on asset disposals	
11	plus Other regulated income (other than gains / (losses) on asset disposals)	
12		
13	<b>Total regulatory income</b>	<b>19,674</b>
14	<b>Expenses</b>	
15	less Operational expenditure	8,651
16		
17	less Pass-through and recoverable costs excluding financial incentives and wash-ups	4,610
18		
19	<b>Operating surplus / (deficit)</b>	<b>6,413</b>
20		
21	less Total depreciation	4,390
22		
23	plus Total revaluations	6,931
24		
25	<b>Regulatory profit / (loss) before tax</b>	<b>8,954</b>
26		
27	less Term credit spread differential allowance	-
28		
29	less Regulatory tax allowance	726
30		
31	<b>Regulatory profit/(loss) including financial incentives and wash-ups</b>	<b>8,228</b>
32		
33	<b>3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups</b>	<b>(\$000)</b>
34	<b>Pass through costs</b>	
35	Rates	103
36	Commerce Act levies	27
37	Industry levies	48
38	CPP specified pass through costs	N/A
39	<b>Recoverable costs excluding financial incentives and wash-ups</b>	
40	Electricity lines service charge payable to Transpower	4,231
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	<b>Pass-through and recoverable costs excluding financial incentives and wash-ups</b>	<b>4,610</b>
47		

Company Name **Network Waitaki Limited**  
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**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

		(\$000)	
		CY-1	CY
		31 Mar 21	31 Mar 22
48	<b>3(iii): Incremental Rolling Incentive Scheme</b>		
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			
56		Previous years' incremental change	Previous years' incremental change adjusted for inflation
57	CY-5 31 Mar 17	N/A	N/A
58	CY-4 31 Mar 18	N/A	N/A
59	CY-3 31 Mar 19	N/A	N/A
60	CY-2 31 Mar 20	N/A	N/A
61	CY-1 31 Mar 21	N/A	N/A
62	<b>Net incremental rolling incentive scheme</b>		-
63			
64	<b>Net recoverable costs allowed under incremental rolling incentive scheme</b>		-
65	<b>3(iv): Merger and Acquisition Expenditure</b>		
66			(\$000)
67	Merger and acquisition expenditure		N/A
68	<i>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)</i>		
69	<b>3(v): Other Disclosures</b>		
70			(\$000)
71	Self-insurance allowance		N/A

### 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

sch ref

sch ref	4(i): Regulatory Asset Base Value (Rolled Forward)	for year ended				
		RAB 31 Mar 18 (\$000)	RAB 31 Mar 19 (\$000)	RAB 31 Mar 20 (\$000)	RAB 31 Mar 21 (\$000)	RAB 31 Mar 22 (\$000)
7	<b>4(i): Regulatory Asset Base Value (Rolled Forward)</b>					
8						
9						
10	Total opening RAB value	86,879	91,008	95,283	98,825	100,426
11						
12	less Total depreciation	3,727	4,019	4,123	4,400	4,390
13						
14	plus Total revaluations	952	1,349	2,413	1,499	6,931
15						
16	plus Assets commissioned	7,130	6,945	5,335	4,504	7,981
17						
18	less Asset disposals	226	-	-	-	-
19						
20	plus Lost and found assets adjustment					-
21						
22	plus Adjustment resulting from asset allocation			(83)	(2)	(21)
23						
24	<b>Total closing RAB value</b>	<b>91,008</b>	<b>95,283</b>	<b>98,825</b>	<b>100,426</b>	<b>110,927</b>

### 4(ii): Unallocated Regulatory Asset Base

sch ref		Unallocated RAB *		RAB	
		(\$000)	(\$000)	(\$000)	(\$000)
27					
28					
29	Total opening RAB value		101,249		100,426
30	less				
31	Total depreciation		4,583		4,390
32	plus				
33	Total revaluations		6,988		6,931
34	plus				
35	Assets commissioned (other than below)	7,598		7,443	
36	Assets acquired from a regulated supplier				
37	Assets acquired from a related party	538		538	
38	<b>Assets commissioned</b>		8,136		7,981
39	less				
40	Asset disposals (other than below)				
41	Asset disposals to a regulated supplier				
42	Asset disposals to a related party				
43	<b>Asset disposals</b>		-		-
44					
45	plus Lost and found assets adjustment				
46					
47	plus Adjustment resulting from asset allocation				(21)
48					
49	<b>Total closing RAB value</b>		<b>111,790</b>		<b>110,927</b>

\* 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.



**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

sch ref

51					
52	<b>4(iii): Calculation of Revaluation Rate and Revaluation of Assets</b>				
53					
54	CPI <sub>t</sub>				1,142
55	CPI <sub>t-4</sub>				1,068
56	Revaluation rate (%)				6.93%
57					
58					
59					
60	Total opening RAB value	101,249		100,426	
61	less Opening value of fully depreciated, disposed and lost assets	391		391	
62					
63	Total opening RAB value subject to revaluation	100,858		100,035	
64	<b>Total revaluations</b>		6,988		6,931
65					
66	<b>4(iv): Roll Forward of Works Under Construction</b>				
67					
68	<b>Works under construction—preceding disclosure year</b>		3,393		3,213
69	plus Capital expenditure	6,585		6,569	
70	less Assets commissioned	8,136		7,981	
71	plus Adjustment resulting from asset allocation				
72	<b>Works under construction - current disclosure year</b>		1,842		1,801
73					
74	Highest rate of capitalised finance applied				
75					

**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

sch ref

		Unallocated RAB *		RAB	
		(\$000)	(\$000)	(\$000)	(\$000)
76	<b>4(v): Regulatory Depreciation</b>				
77					
78					
79	Depreciation - standard	3,700		3,700	
80	Depreciation - no standard life assets	883		690	
81	Depreciation - modified life assets				
82	Depreciation - alternative depreciation in accordance with CPP				
83	<b>Total depreciation</b>		4,583		4,390
84					

4(vi): Disclosure of Changes to Depreciation Profiles		(\$000 unless otherwise specified)		
		Depreciation charge for the period (RAB)	Closing RAB value under 'non-standard' depreciation	Closing RAB value under 'standard' depreciation
86	Asset or assets with changes to depreciation*	Reason for non-standard depreciation (text entry)		
87				
88				
89				
90				
91				
92				
93				
94				

\* 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
98	<b>Total opening RAB value</b>	11,009	1,436	16,974	29,088	8,279	17,107	10,608	1,841	4,084	100,426
99											
100	less Total depreciation	301	28	559	1,245	404	639	445	79	690	4,390
101	plus Total revaluations	760	99	1,176	2,012	574	1,185	735	127	263	6,931
102	plus Assets commissioned	1,673	61	539	2,811	901	443	863	99	591	7,981
103	less Asset disposals										-
104	plus Lost and found assets adjustment										-
105	plus Adjustment resulting from asset allocation									(21)	(21)
106	plus Asset category transfers										-
107	<b>Total closing RAB value</b>	13,141	1,568	18,130	32,666	9,350	18,096	11,761	1,988	4,227	110,927
108											
109	<b>Asset Life</b>										
110	Weighted average remaining asset life	42.0	50.9	36.1	35.7	37.8	32.6	28.2	22.8	38.2	(years)
111	Weighted average expected total asset life	51.6	62.5	49.1	53.9	53.2	49.0	38.6	30.4	41.8	(years)

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**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 110.

sch ref

		(\$000)	
7	<b>5a(i): Regulatory Tax Allowance</b>		
8	<b>Regulatory profit / (loss) before tax</b>		8,954
9			
10	<i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable		*
11	Expenditure or loss in regulatory profit / (loss) before tax but not deductible	20	*
12	Amortisation of initial differences in asset values	1,132	
13	Amortisation of revaluations	427	
14			1,579
15			
16	<i>less</i> Total revaluations	6,931	
17	Income included in regulatory profit / (loss) before tax but not taxable		*
18	Discretionary discounts and customer rebates		
19	Expenditure or loss deductible but not in regulatory profit / (loss) before tax		*
20	Notional deductible interest	1,010	
21			7,941
22			
23	<b>Regulatory taxable income</b>		2,592
24			
25	<i>less</i> Utilised tax losses		
26	Regulatory net taxable income		2,592
27			
28	Corporate tax rate (%)	28%	
29	<b>Regulatory tax allowance</b>		726

\* 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)

36	Opening unamortised initial differences in asset values	23,762	
37	<i>less</i> Amortisation of initial differences in asset values	1,132	
38	<i>plus</i> Adjustment for unamortised initial differences in assets acquired		
39	<i>less</i> Adjustment for unamortised initial differences in assets disposed		
40	Closing unamortised initial differences in asset values		22,630
41			
42	Opening weighted average remaining useful life of relevant assets (years)		21

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**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 110.

sch ref

44	<b>5a(iv): Amortisation of Revaluations</b>		(\$000)
45			
46	Opening sum of RAB values without revaluations	91,325	
47			
48	Adjusted depreciation	3,963	
49	Total depreciation	4,390	
50	Amortisation of revaluations		427
51			
52	<b>5a(v): Reconciliation of Tax Losses</b>		(\$000)
53			
54	Opening tax losses	-	
55	plus Current period tax losses		
56	less Utilised tax losses		
57	Closing tax losses		-
58	<b>5a(vi): Calculation of Deferred Tax Balance</b>		(\$000)
59			
60	Opening deferred tax	(4,960)	
61			
62	plus Tax effect of adjusted depreciation	1,110	
63			
64	less Tax effect of tax depreciation	1,828	
65			
66	plus Tax effect of other temporary differences*	603	
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		(5,393)
77			
78	<b>5a(vii): Disclosure of Temporary Differences</b>		
79	<i>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).</i>		
80			
81	<b>5a(viii): Regulatory Tax Asset Base Roll-Forward</b>		
82			(\$000)
83	Opening sum of regulatory tax asset values	55,712	
84	less Tax depreciation	6,530	
85	plus Regulatory tax asset value of assets commissioned	11,018	
86	less Regulatory tax asset value of asset disposals		
87	plus Lost and found assets adjustment		
88	plus Adjustment resulting from asset allocation	(21)	
89	plus Other adjustments to the RAB tax value		
90	Closing sum of regulatory tax asset values		60,179



Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

**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

7  
8  
9

**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						-	-	-

16

17

18

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

19

20

Gross term credit spread differential -

21

22

Total book value of interest bearing debt

23

Leverage 42%

24

Average opening and closing RAB values

25

Attribution Rate (%) -

26

27

Term credit spread differential allowance -

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

**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

		Value allocated (\$000s)			
		Arm's length deduction	Electricity distribution services	Non-electricity distribution services	OVABAA allocation increase (\$000s)
7	<b>5d(i): Operating Cost Allocations</b>				
8					
9					
10	<b>Service interruptions and emergencies</b>				
11	Directly attributable		672		
12	Not directly attributable				-
13	<b>Total attributable to regulated service</b>		672		
14	<b>Vegetation management</b>				
15	Directly attributable		665		
16	Not directly attributable				-
17	<b>Total attributable to regulated service</b>		665		
18	<b>Routine and corrective maintenance and inspection</b>				
19	Directly attributable		1,049		
20	Not directly attributable				-
21	<b>Total attributable to regulated service</b>		1,049		
22	<b>Asset replacement and renewal</b>				
23	Directly attributable		576		
24	Not directly attributable				-
25	<b>Total attributable to regulated service</b>		576		
26	<b>System operations and network support</b>				
27	Directly attributable		2,275		
28	Not directly attributable				-
29	<b>Total attributable to regulated service</b>		2,275		
30	<b>Business support</b>				
31	Directly attributable		261		
32	Not directly attributable		3,153	1,688	4,841
33	<b>Total attributable to regulated service</b>		3,414		
34					
35	<b>Operating costs directly attributable</b>		5,498		
36	<b>Operating costs not directly attributable</b>	-	3,153	1,688	4,841
37	<b>Operational expenditure</b>		8,651		
38					

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

**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

39 **5d(ii): Other Cost Allocations**

	(\$000)
40 <b>Pass through and recoverable costs</b>	
41 <b>Pass through costs</b>	
42     Directly attributable	178
43     Not directly attributable	
44 <b>Total attributable to regulated service</b>	178
45 <b>Recoverable costs</b>	
46     Directly attributable	4,432
47     Not directly attributable	
48 <b>Total attributable to regulated service</b>	4,432

50 **5d(iii): Changes in Cost Allocations\* †**

		(\$000)	
		CY-1	Current Year (CY)
51 <b>Change in cost allocation 1</b>			
52 Cost category	N/A		
53 Original allocator or line items			
54 New allocator or line items			
55		-	-
56 Rationale for change			

		(\$000)	
		CY-1	Current Year (CY)
60 <b>Change in cost allocation 2</b>			
61 Cost category	N/A		
62 Original allocator or line items			
63 New allocator or line items			
64		-	-
65 Rationale for change			

		(\$000)	
		CY-1	Current Year (CY)
69 <b>Change in cost allocation 3</b>			
70 Cost category	N/A		
71 Original allocator or line items			
72 New allocator or line items			
73		-	-
74 Rationale for change			

78 \* 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.  
 79 † include additional rows if needed



Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

**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)
		<b>Electricity distribution services</b>
<b>Subtransmission lines</b>		
	Directly attributable	13,141
	Not directly attributable	
	<b>Total attributable to regulated service</b>	13,141
<b>Subtransmission cables</b>		
	Directly attributable	1,568
	Not directly attributable	
	<b>Total attributable to regulated service</b>	1,568
<b>Zone substations</b>		
	Directly attributable	18,130
	Not directly attributable	
	<b>Total attributable to regulated service</b>	18,130
<b>Distribution and LV lines</b>		
	Directly attributable	32,666
	Not directly attributable	
	<b>Total attributable to regulated service</b>	32,666
<b>Distribution and LV cables</b>		
	Directly attributable	9,350
	Not directly attributable	
	<b>Total attributable to regulated service</b>	9,350
<b>Distribution substations and transformers</b>		
	Directly attributable	18,096
	Not directly attributable	
	<b>Total attributable to regulated service</b>	18,096
<b>Distribution switchgear</b>		
	Directly attributable	11,761
	Not directly attributable	
	<b>Total attributable to regulated service</b>	11,761
<b>Other network assets</b>		
	Directly attributable	1,988
	Not directly attributable	
	<b>Total attributable to regulated service</b>	1,988
<b>Non-network assets</b>		
	Directly attributable	1,414
	Not directly attributable	2,813
	<b>Total attributable to regulated service</b>	4,227
	<b>Regulated service asset value directly attributable</b>	108,114
	<b>Regulated service asset value not directly attributable</b>	2,813
	<b>Total closing RAB value</b>	110,927

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

		(\$000)	
		CY-1	Current Year (CY)
<b>Change in asset value allocation 1</b>			
Asset category	N/A		
Original allocator or line items			
New allocator or line items			
Rationale for change			
<b>Change in asset value allocation 2</b>			
Asset category	N/A		
Original allocator or line items			
New allocator or line items			
Rationale for change			
<b>Change in asset value allocation 3</b>			
Asset category	N/A		
Original allocator or line items			
New allocator or line items			
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 compone  
 † include additional rows if needed

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

### 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

7	<b>6a(i): Expenditure on Assets</b>			
8	Consumer connection			1,879
9	System growth			1,659
10	Asset replacement and renewal			3,294
11	Asset relocations			496
12	Reliability, safety and environment:			
13	Quality of supply	650		
14	Legislative and regulatory	354		
15	Other reliability, safety and environment	-		
16	<b>Total reliability, safety and environment</b>			1,004
17	<b>Expenditure on network assets</b>			8,332
18	Expenditure on non-network assets			626
19				
20	<b>Expenditure on assets</b>			8,958
21	plus Cost of financing			-
22	less Value of capital contributions			2,390
23	plus Value of vested assets			-
24				
25	<b>Capital expenditure</b>			6,569
26	<b>6a(ii): Subcomponents of Expenditure on Assets (where known)</b>			
27	Energy efficiency and demand side management, reduction of energy losses			-
28	Overhead to underground conversion			492
29	Research and development			-
30	<b>6a(iii): Consumer Connection</b>			
31	<i>Consumer types defined by EDB*</i>			
32	Independent Contract Customers - Large Commercial and Industrial			-
33	Small Consumers - residential and commercial to 15kVA			594
34	Medium Consumers - residential and commercial 16kVA to 50kVA			384
35	Large Consumers - commercial and industrial 51kVA and above			901
36				
37	<i>* include additional rows if needed</i>			
38	<b>Consumer connection expenditure</b>			1,879
39				
40	less Capital contributions funding consumer connection expenditure	1,515		
41	<b>Consumer connection less capital contributions</b>			364
42	<b>6a(iv): System Growth and Asset Replacement and Renewal</b>			
43				
44				
45	Subtransmission	1,565	329	
46	Zone substations		82	
47	Distribution and LV lines	94	2,317	
48	Distribution and LV cables		1	
49	Distribution substations and transformers		258	
50	Distribution switchgear		264	
51	Other network assets		43	
52	<b>System growth and asset replacement and renewal expenditure</b>	1,659	3,294	
53	less Capital contributions funding system growth and asset replacement and renewal	875	-	
54	<b>System growth and asset replacement and renewal less capital contributions</b>	784	3,294	
55				
56	<b>6a(v): Asset Relocations</b>			
57	<i>Project or programme*</i>			
58	Ruataniwha Realignment	5		
59	SH1 Underground - Road Metals	479		
60	33kV Chelmer Street Undergrounding - Install ducts up bank	13		
61				
62				
63	<i>* include additional rows if needed</i>			
64	All other projects or programmes - asset relocations	-		
65	<b>Asset relocations expenditure</b>			496
66	less Capital contributions funding asset relocations	-		
67	<b>Asset relocations less capital contributions</b>			496
68				

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

**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

69	<b>6a(vi): Quality of Supply</b>			
70	<i>Project or programme*</i>		(\$000)	(\$000)
71	Arc Flash Protection Zone Subs		82	
72	Install new ABS's & Spur Fuses		75	
73	EDE ABS Replacement		220	
74	Investigate LV Customer Monitoring		43	
	Install Reclosers for Automation		52	
	Fibre Comms Improvements		178	
75				
76				
77	<i>* include additional rows if needed</i>			
	All other projects programmes - quality of supply		-	
78	<b>Quality of supply expenditure</b>			650
79	less	Capital contributions funding quality of supply	-	
80	<b>Quality of supply less capital contributions</b>			650
81	<b>6a(vii): Legislative and Regulatory</b>			
82	<i>Project or programme*</i>		(\$000)	(\$000)
83	Distribution Box Replacements		75	
84	Remove LV U/G Crossing-SH8		20	
85	Over Veranda Distribution Boxes Replacement		69	
86	Substation Seismic Improvements		190	
87				
88				
89	<i>* include additional rows if needed</i>			
	All other projects or programmes - legislative and regulatory		-	
90	<b>Legislative and regulatory expenditure</b>			354
91	less	Capital contributions funding legislative and regulatory	-	
92	<b>Legislative and regulatory less capital contributions</b>			354
93	<b>6a(viii): Other Reliability, Safety and Environment</b>			
94	<i>Project or programme*</i>		(\$000)	(\$000)
95				
96				
97				
98				
99				
100	<i>* include additional rows if needed</i>			
	All other projects or programmes - other reliability, safety and environment		-	
101	<b>Other reliability, safety and environment expenditure</b>			-
102	less	Capital contributions funding other reliability, safety and environment	-	
103	<b>Other reliability, safety and environment less capital contributions</b>			-
104				
105				
106	<b>6a(ix): Non-Network Assets</b>			
107	<b>Routine expenditure</b>			
108	<i>Project or programme*</i>		(\$000)	(\$000)
109	Buildings and Fitout		293	
110	Computer Hardware		45	
111	Office Equipment		11	
112	Plant and Equipment		74	
	Vehicles		62	
	Computer Software		141	
113				
114	<i>* include additional rows if needed</i>			
	All other projects or programmes - routine expenditure		-	
115	<b>Routine expenditure</b>			626
116	<b>Atypical expenditure</b>			
117	<i>Project or programme*</i>		(\$000)	(\$000)
118				
119				
120				
121				
122				
123				
124	<i>* include additional rows if needed</i>			
	All other projects or programmes - atypical expenditure		-	
125	<b>Atypical expenditure</b>			-
126	<b>Expenditure on non-network assets</b>			626
127				
128				

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

**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	<b>6b(i): Operational Expenditure</b>		
8	Service interruptions and emergencies	672	
9	Vegetation management	665	
10	Routine and corrective maintenance and inspection	1,049	
11	Asset replacement and renewal	576	
12	<b>Network opex</b>		2,962
13	System operations and network support	2,275	
14	Business support	3,414	
15	<b>Non-network opex</b>		5,689
16			
17	<b>Operational expenditure</b>		8,651
18	<b>6b(ii): Subcomponents of Operational Expenditure (where known)</b>		
19	Energy efficiency and demand side management, reduction of energy losses		
20	Direct billing*		
21	Research and development		
22	Insurance		398
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		

Company Name	<b>Network Waitaki Limited</b>
For Year Ended	<b>31 March 2022</b>

## 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

	Target (\$000) <sup>1</sup>	Actual (\$000)	% variance
<b>7(i): Revenue</b>			
Line charge revenue	20,098	19,674	(2%)
<b>7(ii): Expenditure on Assets</b>	<b>Forecast (\$000) <sup>2</sup></b>	<b>Actual (\$000)</b>	<b>% variance</b>
Consumer connection	1,321	1,879	42%
System growth	2,692	1,659	(38%)
Asset replacement and renewal	4,480	3,294	(26%)
Asset relocations	305	496	63%
Reliability, safety and environment:			
Quality of supply	1,193	650	(46%)
Legislative and regulatory	826	354	(57%)
Other reliability, safety and environment	–	–	–
<b>Total reliability, safety and environment</b>	<b>2,019</b>	<b>1,004</b>	<b>(50%)</b>
<b>Expenditure on network assets</b>	<b>10,817</b>	<b>8,332</b>	<b>(23%)</b>
Expenditure on non-network assets	5,625	626	(89%)
Expenditure on assets	16,442	8,958	(46%)
<b>7(iii): Operational Expenditure</b>			
Service interruptions and emergencies	457	672	47%
Vegetation management	660	665	1%
Routine and corrective maintenance and inspection	1,243	1,049	(16%)
Asset replacement and renewal	509	576	13%
<b>Network opex</b>	<b>2,869</b>	<b>2,962</b>	<b>3%</b>
System operations and network support	3,409	2,275	(33%)
Business support	3,122	3,414	9%
<b>Non-network opex</b>	<b>6,531</b>	<b>5,689</b>	<b>(13%)</b>
<b>Operational expenditure</b>	<b>9,400</b>	<b>8,651</b>	<b>(8%)</b>
<b>7(iv): Subcomponents of Expenditure on Assets (where known)</b>			
Energy efficiency and demand side management, reduction of energy losses	N/A	–	–
Overhead to underground conversion	890	492	(45%)
Research and development	N/A	–	–
<b>7(v): Subcomponents of Operational Expenditure (where known)</b>			
Energy efficiency and demand side management, reduction of energy losses	N/A	–	–
Direct billing	N/A	–	–
Research and development	N/A	–	–
Insurance	262	398	52%

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

<sup>2</sup> 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 **Network Waitaki Limited**  
 For Year Ended **31 March 2022**  
 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 EDG 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(j): 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)	Unit charging basis (eg, days, kW of demand, kVA of capacity, etc.)	Billed quantities by price component																
						Price component			Price component			Price component			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													
RLC	Residential and Commercial	Standard	4,440	25,814		4,440	18,474	7,340	4,440	18,474	7,340											
RLU	Residential and Commercial	Standard	823	3,788		823	2,920	868	823	2,920	868											
15C	Residential and Commercial	Standard	4,068	37,300		4,068	26,206	11,100	4,068	26,206	11,100											
15U	Residential and Commercial	Standard	1,765	9,125		1,765	6,838	2,287	1,765	6,838	2,287											
30C	Residential and Commercial	Standard	198	2,388		198	1,068	720	198	1,068	720											
30U	Residential and Commercial	Standard	461	4,269		461	3,168	1,101	461	3,168	1,101											
50C	Residential and Commercial	Standard	154	4,601		154	3,248	1,253	154	3,248	1,253											
50U	Residential and Commercial	Standard	623	16,358		623	12,057	4,301	623	12,057	4,301											
100	Commercial and Industrial	Standard	363	28,989		363	21,002	7,987	363	21,002	7,987											
200	Commercial and Industrial	Standard	130	16,428		130	11,810	4,619	130	11,810	4,619											
300	Commercial and Industrial	Standard	53	9,082		53	6,606	2,476	53	6,606	2,476											
500	Commercial and Industrial	Standard	25	11,629		25	7,635	3,994	25	7,635	3,994											
750	Commercial and Industrial	Standard	13	6,170		13	3,908	2,268	13	3,908	2,268											
IND	Large Commercial and Industrial	Non-standard	85	62,468		85			85			28	28	13	13							
Add extra rows for additional consumer groups or price category codes as necessary																						
Standard consumer totals						13,116	125,640	50,314	13,116	125,640	50,314	-	-	-	-							
Non-standard consumer totals						85	-	-	85	-	-	28	28	13	13							
Total for all consumers						13,201	125,640	50,314	13,201	125,640	50,314	28	28	13	13							

Add extra columns for additional billed quantities by price component as necessary

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**  
 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 EDG 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**

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, \$ per kWh, etc.)	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
								\$/ICP	\$/MWh	\$/MWh	\$/ICP	\$/MWh	\$/MWh	\$/kVA	\$/kVA	\$/kW	\$/kW	\$/ICP	\$/ICP
RLC	Residential and Commercial	Standard	\$2,376		1,764	612		-1437	\$1,828	\$73	\$88	\$503	\$21						
RLU	Residential and Commercial	Standard	\$437		286	150		\$-11	\$289	\$9	\$16	\$121	\$13						
15C	Residential and Commercial	Standard	\$3,442		2,609	833		\$1,238	\$1,308	\$63	\$225	\$582	\$27						
15U	Residential and Commercial	Standard	\$1,393		1,025	367		\$671	\$341	\$33	\$210	\$152	\$6						
30C	Residential and Commercial	Standard	\$240		169	71		\$81	\$83	\$4	\$37	\$2							
30U	Residential and Commercial	Standard	\$576		398	178		\$234	\$154	\$6	\$105	\$70	\$3						
50C	Residential and Commercial	Standard	\$404		295	108		\$121	\$168	\$7	\$31	\$75	\$3						
50U	Residential and Commercial	Standard	\$1,638		1,175	463		\$548	\$603	\$24	\$184	\$288	\$10						
100	Commercial and Industrial	Standard	\$2,328		1,699	629		\$604	\$1,050	\$45	\$142	\$467	\$19						
200	Commercial and Industrial	Standard	\$1,423		1,048	375		\$431	\$590	\$26	\$101	\$262	\$11						
300	Commercial and Industrial	Standard	\$828		612	216		\$267	\$331	\$14	\$63	\$147	\$6						
500	Commercial and Industrial	Standard	\$871		636	236		\$232	\$381	\$23	\$56	\$169	\$10						
750	Commercial and Industrial	Standard	\$514		381	133		\$173	\$196	\$13	\$40	\$87	\$6						
IND	Large Commercial and Industrial	Non-standard	\$3,204		1,873	1,330								\$1,039	\$640	\$726	\$308	\$108	\$382
Add extra rows for additional consumer groups or price category codes as necessary																			
Standard consumer totals			\$16,470	-	\$12,098	\$4,372		\$4,454	\$7,324	\$319	\$1,295	\$2,940	\$136	-	-	-	-	-	-
Non-standard consumer totals			\$3,204	-	\$1,873	\$1,330		-	-	-	-	-	-	\$1,039	\$640	\$726	\$308	\$108	\$382
Total for all consumers			\$19,674	-	\$13,971	\$5,702		\$4,454	\$7,324	\$319	\$1,295	\$2,940	\$136	\$1,039	\$640	\$726	\$308	\$108	\$382

Add extra columns for additional line charge revenues by price component as necessary

**8(iii): Number of ICPs directly billed**  
 Number of directly billed ICPs at year end

Check  OK

Company Name	<b>Network Waitaki Limited</b>
For Year Ended	<b>31 March 2022</b>
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

sch ref	Voltage	Asset category	Asset class	Units	Items at start of	Items at end of	Net change	Data accuracy
					year (quantity)	year (quantity)		(1-4)
8	All	Overhead Line	Concrete poles / steel structure	No.	9,066	9,130	64	4
9	All	Overhead Line	Wood poles	No.	12,582	12,474	(108)	4
10	All	Overhead Line	Other pole types	No.	4	2	(2)	4
11	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	218	234	16	4
12	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
13	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	4	4	0	4
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	N/A
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	N/A
17	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	N/A
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	N/A
21	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	N/A
22	HV	Zone substation Buildings	Zone substations up to 66kV	No.	19	19	-	4
23	HV	Zone substation Buildings	Zone substations 110kV+	No.	1	1	-	4
24	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	N/A
25	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	1	-	(1)	4
26	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	N/A
27	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	94	94	-	4
28	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	N/A
29	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	11	11	-	4
30	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	46	51	5	4
31	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	84	84	-	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	4	4	-	4
33	HV	Zone Substation Transformer	Zone Substation Transformers	No.	23	23	-	4
34	HV	Distribution Line	Distribution OH Open Wire Conductor	km	1,255	1,255	(0)	3
35	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	N/A
36	HV	Distribution Line	SWER conductor	km	-	-	-	N/A
37	HV	Distribution Cable	Distribution UG XLPE or PVC	km	70	71	1	3
38	HV	Distribution Cable	Distribution UG PILC	km	11	13	2	3
39	HV	Distribution Cable	Distribution Submarine Cable	km	-	-	-	N/A
40	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	58	56	(2)	4
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	-	N/A
42	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	4,000	4,032	32	3
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	-	-	-	N/A
44	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	189	199	10	4
45	HV	Distribution Transformer	Pole Mounted Transformer	No.	2,386	2,389	3	4
46	HV	Distribution Transformer	Ground Mounted Transformer	No.	549	560	11	4
47	HV	Distribution Transformer	Voltage regulators	No.	38	38	-	4
48	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	N/A
49	LV	LV Line	LV OH Conductor	km	219	222	3	3
50	LV	LV Cable	LV UG Cable	km	102	104	2	3
51	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	99	105	6	4
52	LV	Connections	OH/UG consumer service connections	No.	13,127	13,282	155	3
53	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	170	170	-	3
54	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	-	4
55	All	Capacitor Banks	Capacitors including controls	No.	2	2	-	4
56	All	Load Control	Centralised plant	Lot	3	3	-	4
57	All	Load Control	Relays	No.	9,693	9,657	(36)	3
58	All	Civils	Cable Tunnels	km	-	-	-	N/A





Company Name **Network Waitaki Limited**

For Year Ended **31 March 2022**

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	<b>Circuit length by operating voltage (at year end)</b>	<b>Overhead (km)</b>	<b>Underground (km)</b>
11	> 66kV	–	–
12	50kV & 66kV	–	–
13	33kV	234	4
14	SWER (all SWER voltages)	–	–
15	22kV (other than SWER)	–	–
16	6.6kV to 11kV (inclusive—other than SWER)	1,255	84
17	Low voltage (< 1kV)	222	104
18	<b>Total circuit length (for supply)</b>	<b>1,711</b>	<b>192</b>
19			
20	Dedicated street lighting circuit length (km)	70	35
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)		–
22			
23	<b>Overhead circuit length by terrain (at year end)</b>	<b>Circuit length (km)</b>	<b>(% of total overhead length)</b>
24	Urban	351	21%
25	Rural	1,357	79%
26	Remote only	2	0%
27	Rugged only	–	–
28	Remote and rugged	–	–
29	Unallocated overhead lines	1	0%
30	<b>Total overhead length</b>	<b>1,711</b>	<b>100%</b>
31			
32		<b>Circuit length (km)</b>	<b>(% of total circuit length)</b>
33	Length of circuit within 10km of coastline or geothermal areas (where known)	768	38%
34		<b>Circuit length (km)</b>	<b>(% of total overhead length)</b>
35	Overhead circuit requiring vegetation management	13	0%

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2022**

**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

8	Location *	Number of ICPs served	Line charge revenue (\$000)
9	No embedded networks operate within the Network Waitaki network area or are operated elsewhere by Network Waitaki.		
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 2022**

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

Number of connections (ICPs)

-
140
19
10

Connections total

169
-----

**Distributed generation**

Number of connections made in year

42
----

connections

Capacity of distributed generation installed in year

0.45
------

MVA

**9e(ii): System Demand**

**Maximum coincident system demand**

GXP demand

60.9
------

plus Distributed generation output at HV and above

**Maximum coincident system demand**

61
----

less Net transfers to (from) other EDBs at HV and above

-
---

**Demand on system for supply to consumers' connection points**

61
----

Demand at time of maximum coincident demand (MW)

**Electricity volumes carried**

Electricity supplied from GXPs

248.90
--------

less Electricity exports to GXPs

-
---

plus Electricity supplied from distributed generation

0.96
------

less Net electricity supplied to (from) other EDBs

-
---

**Electricity entering system for supply to consumers' connection points**

249.86
--------

less Total energy delivered to ICPs

238.42
--------

**Electricity losses (loss ratio)**

11.4
------

4.58%

Load factor

0.47
------

**9e(iii): Transformer Capacity**

Distribution transformer capacity (EDB owned)

224
-----

Distribution transformer capacity (Non-EDB owned, estimated)

11.8
------

**Total distribution transformer capacity**

236
-----

(MVA)

Zone substation transformer capacity

228.0
-------

Company Name **Network Waitaki Limited**For Year Ended **31 March 2022**

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

**8 10(i): Interruptions****9 Interruptions by class**

	Number of interruptions	
10 Class A (planned interruptions by Transpower)	-	
11 Class B (planned interruptions on the network)	242	
12 Class C (unplanned interruptions on the network)	152	
13 Class D (unplanned interruptions by Transpower)	-	
14 Class E (unplanned interruptions of EDB owned generation)	-	
15 Class F (unplanned interruptions of generation owned by others)	-	
16 Class G (unplanned interruptions caused by another disclosing entity)	-	
17 Class H (planned interruptions caused by another disclosing entity)	-	
18 Class I (interruptions caused by parties not included above)	77	
19 <b>Total</b>	<b>471</b>	

**21 Interruption restoration**

	≤3Hrs	>3hrs
22 Class C interruptions restored within	119	33

**24 SAIFI and SAIDI by class**

	SAIFI	SAIDI
25 Class A (planned interruptions by Transpower)	-	-
26 Class B (planned interruptions on the network)	0.31	91.67
27 Class C (unplanned interruptions on the network)	1.65	75.27
28 Class D (unplanned interruptions by Transpower)	-	-
29 Class E (unplanned interruptions of EDB owned generation)	-	-
30 Class F (unplanned interruptions of generation owned by others)	-	-
31 Class G (unplanned interruptions caused by another disclosing entity)	-	-
32 Class H (planned interruptions caused by another disclosing entity)	-	-
33 Class I (interruptions caused by parties not included above)	0.01	2.80
34 <b>Total</b>	<b>1.97</b>	<b>169.74</b>

**36 Normalised SAIFI and SAIDI**

	Normalised SAIFI	Normalised SAIDI
37 Classes B & C (interruptions on the network)	1.96	166.94

Company Name **Network Waitaki Limited**For Year Ended **31 March 2022**

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.

**39 10(ii): Class C Interruptions and Duration by Cause**

40

**41 Cause**

42 Lightning

43 Vegetation

44 Adverse weather

45 Adverse environment

46 Third party interference

47 Wildlife

48 Human error

49 Defective equipment

50 Cause unknown

51

SAIFI

SAIDI

0.14

0.58

0.09

9.35

0.05

3.74

-

-

0.07

5.77

0.22

10.74

0.12

1.39

0.45

31.72

0.51

11.98

**52 10(iii): Class B Interruptions and Duration by Main Equipment Involved**

53

**54 Main equipment involved**

55 Subtransmission lines

56 Subtransmission cables

57 Subtransmission other

58 Distribution lines (excluding LV)

59 Distribution cables (excluding LV)

60 Distribution other (excluding LV)

SAIFI

SAIDI

0.005

1.64

-

-

-

-

0.30

89.85

0.005

0.18

-

-

**61 10(iv): Class C Interruptions and Duration by Main Equipment Involved**

62

**63 Main equipment involved**

64 Subtransmission lines

65 Subtransmission cables

66 Subtransmission other

67 Distribution lines (excluding LV)

68 Distribution cables (excluding LV)

69 Distribution other (excluding LV)

SAIFI

SAIDI

0.687

25.88

-

-

-

-

0.959

49.07

0.004

0.32

-

-

**70 10(v): Fault Rate**

71

**71 Main equipment involved**

72 Subtransmission lines

73 Subtransmission cables

74 Subtransmission other

75 Distribution lines (excluding LV)

76 Distribution cables (excluding LV)

77 Distribution other (excluding LV)

78

**Total**

Number of Faults

Circuit length  
(km)Fault rate (faults  
per 100km)

8

234

3.42

-

4

-

-

-

-

141

1,255

11.24

3

84

3.57

-

-

-

152

Company Name	<u>Network Waitaki Limited</u>
For Year Ended	<u>31 March 2022</u>

## 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 (comparable to a post tax WACC) of 8.08% p.a. is above the 75<sup>th</sup> percentile WACC estimate of 4.20% p.a. and an increase on last year's ROI of 4.64%. The high ROI is due to an asset revaluation rate of 6.93% compared to the previous year's revaluation rate of 1.52%.

A revaluation rate of 1.52% (similar to FY21) would have resulted in an ROI less than the 25<sup>th</sup> percentile estimate of 2.84%. 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 77% higher this year (\$7,981k) compared to last year (\$4,504k) 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 \$17.7k 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 \$603k depicted in Schedule 5a(vi) 'Tax effect of other temporary differences', which is made up of the Tax effect of \$566k as shown in the table 1 below, plus the \$37k for provisions shown in table 2.

**Table 1: derivation of \$566K Tax effect**

Capital Contributions	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total Remaining
624,775	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	- 62,477	-	0
1,127,125	-	112,713	112,713	112,713	112,713	112,713	112,713	112,713	112,713	112,713	112,713	0
1,459,782	-	-	145,978	145,978	145,978	145,978	145,978	145,978	145,978	145,978	145,978	145,978
3,362,025	-	-	-	336,203	336,203	336,203	336,203	336,203	336,203	336,203	336,203	672,405
2,480,806	-	-	-	-	248,081	248,081	248,081	248,081	248,081	248,081	248,081	744,242
2,034,517	-	-	-	-	-	203,452	203,452	203,452	203,452	203,452	203,452	813,807
1,667,619	-	-	-	-	-	-	166,762	166,762	166,762	166,762	166,762	833,810
1,790,631	-	-	-	-	-	-	-	179,063	179,063	179,063	179,063	1,074,379
1,829,497	-	-	-	-	-	-	-	-	182,950	182,950	182,950	1,280,648
2,075,308	-	-	-	-	-	-	-	-	-	207,531	207,531	1,660,246
2,389,224	-	-	-	-	-	-	-	-	-	-	238,922	2,150,302
<b>20,841,310</b>	<b>- 62,477</b>	<b>- 175,190</b>	<b>- 321,168</b>	<b>- 657,371</b>	<b>- 905,451</b>	<b>- 1,108,903</b>	<b>- 1,275,665</b>	<b>- 1,454,728</b>	<b>- 1,637,678</b>	<b>- 1,845,209</b>	<b>- 2,021,654</b>	<b>9,375,816</b>
	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	28%	
	17	49	90	184	254	310	357	407	459	517	566	

**Table 2: derivation of (\$37K) in provisions for leave etc**

Movement in Provisions	Opening	Closing	Movement
Annual Leave	- 496,391	540,443	44,052
63 day adjustment	62,791		62,791
ACC	12,585	- 16,668	29,253
Long service leave	- 111,582	121,480	9,898
63 day adjustment	3,802		3,802
Gratuity	- 80,172	- 44,971	- 35,201
Doubtful Debt	- 57,045	- 75,007	- 17,962
<b>Total</b>	<b>- 666,012</b>	<b>798,569</b>	<b>132,557</b>

*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 for Building & Fit-out, Office Equipment, Motor Vehicles, Plant & Equipment and Generators, as it is a fair reflection of the proportion of assets used on the network business. A causal allocator, the number of IT users, is being used to allocate Computer and Software assets.

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, a 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.
- Power transformer on load tap changer maintenance, repair of leaks, renewal of paintwork.
- Maintaining oil filled switch gear.
- Replacement of subcomponents of distribution poles, such as binders, cross arms or tightening and adjustment work on these assets.

No items have been reclassified this year.

*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 42% greater than the forecast due to continued significant growth on the network.

System Growth expenditure was 38% below forecast levels, due to deferral of several significant projects while a growth strategy was under review.

Expenditure on Asset Replacement and Renewal was 26% below forecast due to the deferral of two major conductor replacement programs following detailed review of conductor condition.

Asset relocations was 63% above forecast due to an unplanned overhead to underground conversion that was completed as part of a customer connection that was not known at the time of original forecasts.

Expenditure in the category of Reliability, Safety and Environment - Quality of Supply was 46% below forecast due to the deferral of some communications projects and a risk based spares optimisation review which resulted in cost saving on a spares procurement project.

Expenditure in the category of Reliability, Safety and Environment - Legislative and Regulatory was 57% below forecast levels due to phasing of the seismic resilience programme of works.

Expenditure on non-network assets was 91% lower than forecast due to rescheduling of the redevelopment project for our building and yard facilities, and timing issues with procurement of heavy vehicles.

#### Operational Expenditure

Service interruptions and emergencies was 47% higher than forecast expenditure due to variances in the areas of HV and LV distribution faults as well as a large number of customer driven planned service isolations for safety when customers were carrying our work near lines.

Routine and corrective maintenance and inspection expenditure was 16% lower than forecast. This was due to lower than expected corrective maintenance in several asset areas, and the deferral of some trial programs for new technology due to resourcing and priorities.

System Operation and Network support was 33% below forecast. This was due to changes to how these costs are allocated, staffing changes, staffing positions vacant for longer than expected periods and some deferred technology costs.

#### *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 (post fixed discount) was 2% lower than the target revenue (post fixed discount) stated in the pricing methodology. Total billable volumes were 3.4% lower than budgeted due to lower-than-forecasted 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 and SAIFI is unfavourable compared to last year, owing to an increase in outages, with several being of high impact to the network. 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 as well as more focus on generators being installed on the high voltage network to also minimise customer impact.

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 again 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-

- 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. Insurance costs increased significantly.

*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 2022</u>

## 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.)*

19. This Schedule requires EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.6.
20. 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)*

21. 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)*

22. 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.

Company Name	<u>Network Waitaki Limited</u>
For Year Ended	<u>31 March 2022</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.)*

23. This schedule enables EDBs to provide, should they wish to-
- 23.1 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;
  - 23.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.
24. 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.
25. 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 13km of overhead circuit requiring vegetation management is based on the actual number of recorded vegetation management jobs (excluding inspections) completed in FY22.

**Schedule 10**

Network Waitaki have treated successive interruptions the same way for the 2022 disclosure year as completed for the 2021 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.



## Appendix A – Related Party Disclosure Requirements

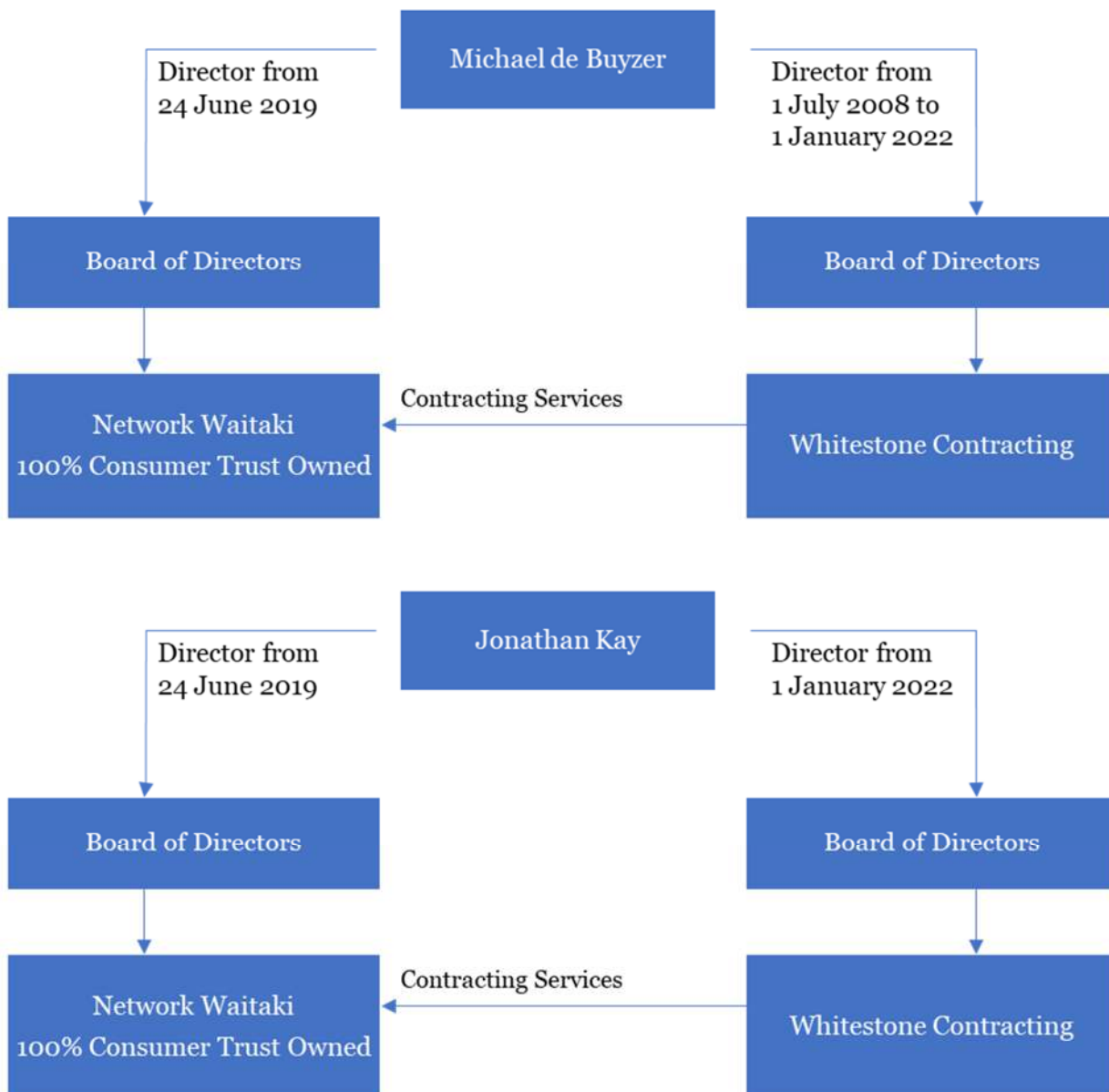
For the year ended 31 March 2022

Dated 31 August 2022

### 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 diagrams the relationship is one of common directorship. Two of Network Waitaki's Directors, Michael de Buyzer and Jonathan Kay were also Directors of Whitestone Contracting during the 2022 year.



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 appointments of Michael de Buyzer and Jonathan Kay 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 FY2022 is \$682,190. Due to the Information Disclosure related party definitions, related party expenditure in schedule 5b is \$554,000.

## **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: 25 July 2022

Date: 25 July 2022



**INDEPENDENT ASSURANCE REPORT  
TO THE DIRECTORS OF NETWORK WAITAKI LIMITED AND TO THE COMMERCE COMMISSION  
ON THE DISCLOSURE INFORMATION  
FOR THE DISCLOSURE YEAR ENDED 31 MARCH 2022  
AS REQUIRED BY  
THE ELECTRICITY DISTRIBUTION INFORMATION DISCLOSURE DETERMINATION 2012  
(CONSOLIDATED 9 DECEMBER 2021)**

The Network Waitaki Limited (the company) is required to disclose certain information under the Electricity Distribution Information Disclosure Determination 2012 (consolidated 9 December 2021) (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 2022 (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 (consolidated 20 May 2020) (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 2.11.1 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 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, 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, sourced 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 for 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 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><b>Regulatory Asset Base</b></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 performances 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 the understanding of the compliance requirements relevant to the RAB as set out in the Determination and the Input Methodologies (IM).</p> <p>We have performed the following procedures:</p> <p><b>Assets Commissioned</b></p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• 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;</li> <li>• We tested a sample of assets commissioned during the disclosure period for appropriate asset category classification;</li> </ul> <p><b>Depreciation</b></p> <ul style="list-style-type: none"> <li>• We compared the standard asset lives by asset category to those set out in the IM;</li> <li>• For assets with no standard asset lives we assessed the reasonableness of the lives used by reference to the accounting depreciation rates;</li> </ul>



Key Assurance Matter	How our procedures addressed the key assurance matter
<p><b>Cost and Asset Allocation</b></p> <p>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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• All of the costs directly attributable to the regulated goods or services; and</li> <li>• An allocated portion of the costs that are not directly attributable.</li> </ul> <p>The IM 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.</p>	<ul style="list-style-type: none"> <li>• We tested the mathematical accuracy of the regulatory depreciation expense calculation is in line with IM clause 2.2.5 on a sample basis;</li> </ul> <p><b>Revaluation</b></p> <ul style="list-style-type: none"> <li>• We have recalculated the revaluation rate set out in the Input Methodologies using the relevant Consumer Price Index indices taken from the Statistics New Zealand website;</li> <li>• We tested the mathematical accuracy of the revaluation calculation performed by management;</li> </ul> <p><b>Disposals</b></p> <ul style="list-style-type: none"> <li>• 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 IM.</li> </ul> <p>We obtained an understanding of the Company's cost and asset allocation processes and the methodologies applied.</p> <p>Our procedures over cost and asset allocation included:</p> <ul style="list-style-type: none"> <li>• Reconciling the regulated and unregulated financial information to the audited financial statements</li> </ul> <p><b>Classification as directly/not directly attributable</b></p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• 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;</li> <li>• 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;</li> <li>• Testing a sample of assets commissioned to work orders to ensure their classification as either directly attributable or non directly attributable are appropriate and in line with the Determination;</li> </ul>



Key Assurance Matter	How our procedures addressed the key assurance matter
<p>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.</p> <p>Given the judgement involved in the application of the cost and asset allocation methodologies we consider it a key assurance matter.</p>	<p><b>Appropriateness of the allocators used for not directly attributable costs and assets</b></p> <ul style="list-style-type: none"> <li>• 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;</li> <li>• 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</li> <li>• Recalculating the split between not directly attributable costs and asset values allocated to electricity distribution services and non-electricity distribution services.</li> </ul>

**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, in all material respects:

- 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 with the Determination in preparing the audited Disclosure Information; and
- the company’s basis for valuation of related party transactions in the disclosure year has complied 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 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 trading activities of the Company, this engagement and the annual audit of the company's financial statements and performance information, we have no relationship with, or interests in, the company.

A handwritten signature in black ink, appearing to read 'Nathan Wylie', written over a faint circular stamp.

Nathan Wylie  
PricewaterhouseCoopers  
On behalf of the Auditor-General  
Christchurch, New Zealand  
25 July 2022