



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

**Company Name**

Network Waitaki Limited

**Disclosure Date**

31 August 2014

**Disclosure Year (year ended)**

31 March 2014

Templates for Schedules 1–10  
Template Version 3.0.

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## Disclosure Template Guidelines for Information Entry

These templates have been prepared for use by EDBs when making disclosures under subclauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, and 2.5.2 of the Electricity Distribution Information Disclosure Determination 2012. Disclosures must be made available to the public within 5 months after the end of the disclosure year and a copy provided to the Commission within 5 working days of being disclosed to the public.

### Version 3.0 templates

These templates correct formula errors contained in previous versions of the templates. A list of the formula corrections can be found in the ID issues register under "Excel Template Issues - v2.X (2013)" in the category column. We have included additional guidance for schedules 2, 4 and 5a indicating where information for certain rows are expected to be sourced from.

### Company Name and Dates

To prepare the templates for disclosure, the supplier's company name should be entered in cell C8, the date of the last day of the current (disclosure) year should be entered in cell C12, and the date on which the information is disclosed should be entered in cell C10 of the CoverSheet worksheet.

The cell C12 entry (current year) is used to calculate disclosure years in the column headings that show above some of the tables and in labels adjacent to some entry cells. It is also used to calculate the 'For year ended' date in the template title blocks (the title blocks are the light green shaded areas at the top of each template).

The cell C8 entry (company name) is used in the template title blocks.

Dates should be entered in day/month/year order (Example -"1 April 2013").

### Data Entry Cells and Calculated Cells

Data entered into this workbook may be entered only into the data entry cells. Data entry cells are the bordered, unshaded areas (white cells) in each template. Under no circumstances should data be entered into the workbook outside a data entry cell.

In some cases, where the information for disclosure is able to be ascertained from disclosures elsewhere in the workbook, such information is disclosed in a calculated cell. Under no circumstances should the formulas in a calculated cell be overwritten.

### Validation Settings on Data Entry Cells

To maintain a consistency of format and to help guard against errors in data entry, some data entry cells test keyboard entries for validity and accept only a limited range of values. For example, entries may be limited to a list of category names, to values between 0% and 100%, or either a numeric entry or the text entry "N/A". Where this occurs, a validation message will appear when data is being entered. These checks are applied to keyboard entries only and not, for example, to entries made using Excel's copy and paste facility.

### Conditional Formatting Settings on Data Entry Cells

Schedule 9b columns AA to AE (2013 to 2017) contain conditional formatting. The data entry cells for future years are hidden (are changed from white to yellow).

Schedule 9b cells AG10 to AG60 will change colour if the total assets at year end for each asset class does not equal the corresponding values in column I in Schedule 9a.

Schedule 9c cell P30 will change colour if P30 (overhead circuit length by terrain) does not equal P18 (overhead circuit length by operating voltage).

Schedule 4 cells P99:P105 and P107 will change colour if the RAB values do not equal the corresponding values in table 4(ii).

### Inserting Additional Rows and Columns

The templates for schedules 4, 5b, 5c, 5d, 5e, 5i, 6a, 8, 9d, and 9e may require additional rows to be inserted in tables marked 'include additional rows if needed' or similar.

Additional rows in schedules 5c, 5i, 6a, and 9e must not be inserted directly above the first row or below the last row of a table. This is to ensure that entries made in the new row are included in the totals.

Schedules 5d and 5e may require new cost or asset category rows to be inserted in allocation change tables 5d(iii) and 5e(ii). Accordingly, cell protection has been removed from rows 76 and 79 of the respective templates to allow blocks of rows to be copied. The four steps to add new cost category rows to table 5d(iii) are: Select Excel rows 67:74, copy, select Excel row 76, insert copied cells. Similarly, for table 5e(ii): Select Excel rows 70:77, copy, select Excel row 79, then insert copied cells.

The template for schedule 8 may require additional columns to be inserted between column P and U. To avoid interfering with the title block entries, these should be inserted to the left of column S. If inserting additional columns, the formulas for standard consumers total, non-standard consumers totals and total for all consumers will need to be copied into the cells of the added columns. The formulas can be found in the equivalent cells of the existing columns.

### ***Disclosures by Sub-Network***

If the supplier has sub-networks, schedules 8, 9a, 9b, 9c, 9e, and 10 must be completed for the network and for each sub-network. A copy of the schedule worksheet(s) must be made for each sub-network and named accordingly.

### ***Schedule References***

The references labelled 'sch ref' in the leftmost column of each template are consistent with the row references in the Electricity Distribution ID Determination 2012 (as issued on 1 October 2012). They provide a common reference between the rows in the determination and the template. Due to page formatting, the row reference sequences contained in the determination schedules are not necessarily contiguous.

### ***Description of Calculation References***

Calculation cell formulas contain links to other cells within the same template or elsewhere in the workbook. Key cell references are described in a column to the right of each template. These descriptions are provided to assist data entry. Cell references refer to the row of the template and not the schedule reference.

### ***Worksheet Completion Sequence***

Calculation cells may show an incorrect value until precedent cell entries have been completed. Data entry may be assisted by completing the schedules in the following order:

1. Coversheet
2. Schedules 5a–5e
3. Schedules 6a and 6b
4. Schedule 8
5. Schedule 3
6. Schedule 4
7. Schedule 2
8. Schedule 7
9. Schedules 9a–9e
10. Schedule 10

### ***Changes to disclosure year 2013***

Clause 2.12 of the Electricity Distribution ID Determination 2012 does not apply for disclosure years 2014 and onwards.

EDBs do not need to complete transitional schedules 5h and 5i. These schedules have been excluded from this version of the templates.

All schedules in this workbook must now be completed in full and publicly disclosed.

### ***Schedule 2: Report on Return on Investment***

The ROI calculations are performed in this template.

All suppliers must complete tables 2(i) Return on Investment and 2(ii) Information Supporting the ROI.

Only suppliers who meet either of the two thresholds set out in subclause 2.3.3 of the Electricity Distribution Information Disclosure Determination 2012 need to complete table 2(iii) Information Supporting the Monthly ROI. We expect that most suppliers will generally not meet either threshold. You will need to work out if you met either threshold using your own tools (e.g. Excel) and do not need to disclose these calculations. If you met either threshold you will need to provide a breakdown of five cash flow items on a month by month basis, as well as your opening revenue related working capital. The definitions for these items are the same as for the rest of the schedules. The values for assets commissioned and asset disposals should relate to the RAB (not the unallocated RAB).

The Excel worksheet uses several calculated cells beyond the rightmost edge of the template to calculate the monthly

The prior year comparison information in the table 2(i) columns labelled CY-1 and CY-2 should be completed by copying the results from the previous year's disclosure.

### ***Schedule 8: Report on Billed Quantities and Line Charge Revenues***

This template should be completed in respect of each consumer groups or price category code (as applicable) that applied in the relevant disclosure year. The 'Average number of ICPs in disclosure year' column entries should be the arithmetic mean of monthly total ICPs (at month end).

Company Name **Network Waitaki Limited**For Year Ended **31 March 2014****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.

sch ref

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1(ii): Expenditure metrics

	Expenditure per GWh energy delivered to ICPs (\$/GWh)	Expenditure per average no. of ICPs (\$/ICP)	Expenditure per MW maximum coincident system demand (\$/MW)	Expenditure per km circuit length (\$/km)	Expenditure per MVA of capacity from EDB-owned distribution transformers (\$/MVA)
Operational expenditure	16,182	309	72,891	1,966	22,039
Network	7,181	137	32,346	872	9,780
Non-network	9,001	172	40,545	1,093	12,259
Expenditure on assets	22,433	428	101,051	2,725	30,553
Network	18,084	345	81,459	2,197	24,629
Non-network	4,349	83	19,591	528	5,924

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1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
Total consumer line charge revenue	59,905	1,144
Standard consumer line charge revenue	66,957	965
Non-standard consumer line charge revenue	38,458	59,548

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1(iii): Service intensity measures

Demand density	27	Maximum coincident system demand per km circuit length (for supply) (kW/km)
Volume density	121	Total energy delivered to ICPs per km circuit length (for supply) (MWh/km)
Connection point density	6	Average number of ICPs per km circuit length (for supply) (ICPs/km)
Energy intensity	19,100	Total energy delivered to ICPs per Average number of ICPs (kWh/ICP)

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1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	3,747	27.45%
Pass-through and recoverable costs	4,881	35.76%
Total depreciation	3,202	23.46%
Total revaluation	1,128	8.26%
Regulatory tax allowance	176	1.29%
Regulatory profit/loss	2,774	20.32%
Total regulatory income	13,651	

41

1(v): Reliability

	Interruptions per 100 circuit km
Interruption rate	8.71

43

Company Name **Network Waitaki Limited**For Year Ended **31 March 2014****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).

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

<b>2(i): Return on Investment</b>		<b>CY-2</b>	<b>CY-1</b>	<b>Current Year CY</b>
		<b>31 Mar 12</b>	<b>31 Mar 13</b>	<b>31 Mar 14</b>
		<b>%</b>	<b>%</b>	<b>%</b>
<b>Post tax WACC</b>				
	<b>ROI—comparable to a post tax WACC</b>	2.78%	1.46%	2.06%
	<b>Mid-point estimate of post tax WACC</b>	6.40%	5.85%	5.43%
	25th percentile estimate	5.68%	5.13%	4.71%
	75th percentile estimate	7.11%	6.56%	6.14%
<b>Vanilla WACC</b>				
	<b>ROI—comparable to a vanilla WACC</b>	3.61%	2.23%	2.75%
	<b>Mid-point estimate of vanilla WACC</b>	7.22%	6.62%	6.11%
	25th percentile estimate	6.51%	5.91%	5.39%
	75th percentile estimate	7.94%	7.34%	6.83%
<b>2(ii): Information Supporting the ROI</b>		<b>(\$000)</b>		
	Total opening RAB value	73,883		
plus	Opening deferred tax	(1,424)		
	Opening RIV		72,459	
	Operating surplus / (deficit)	5,023		
less	Regulatory tax allowance	176		
less	Assets commissioned	3,322		
plus	Asset disposals	226		
	<b>Notional net cash flows</b>		1,752	
	Total closing RAB value	75,102		
less	Adjustment resulting from asset allocation	197		
less	Lost and found assets adjustment	-		
plus	Closing deferred tax	(2,230)		
	<b>Closing RIV</b>		72,674	
	<b>ROI—comparable to a vanilla WACC</b>		2.75%	
	Leverage (%)		44%	
	Cost of debt assumption (%)		5.56%	
	Corporate tax rate (%)		28%	
	<b>ROI—comparable to a post tax WACC</b>		2.06%	

Company Name **Network Waitaki Limited**For Year Ended **31 March 2014****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).

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

**2(iii): Information Supporting the Monthly ROI****Cash flows**

(\$000)

	Total regulatory income	Expenses	Tax payments	Assets commissioned	Asset disposals	Notional net cash flows
April	1,130	584	11	177	23	382
May	1,106	630	41	-	(1)	434
June	1,040	608	34	-	10	408
July	1,013	789	-	122	4	106
August	1,042	744	45	137	36	153
September	1,090	523	-	105	111	573
October	1,092	645	-	258	84	273
November	1,078	601	-	332	6	151
December	1,320	608	-	406	-	306
January	1,250	715	46	314	12	187
February	1,152	1,311	-	505	(114)	(778)
March	1,338	869	-	966	55	(442)
<b>Total</b>	<b>13,651</b>	<b>8,627</b>	<b>176</b>	<b>3,322</b>	<b>226</b>	<b>1,752</b>

	Opening / closing RAB	Adjustment resulting from asset allocation	Lost and found assets adjustment	Opening / closing deferred tax	Revenue related working capital	Total
Monthly ROI - opening RIV	73,883			(1,424)		72,459
Monthly ROI -closing RIV	75,102	197	-	(2,230)	1,338	74,012
Monthly ROI -closing RIV less term credit spread differential allowance						74,012
<b>Monthly ROI—comparable to a vanilla WACC</b>						<b>4.67%</b>
<b>Monthly ROI—comparable to a post-tax WACC</b>						<b>3.98%</b>

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

<b>Year-end ROI—comparable to a vanilla WACC</b>	<b>3.74%</b>
<b>Year-end ROI—comparable to a post-tax WACC</b>	<b>3.06%</b>

\* 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.

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

### 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 3(i), 3(iv) and 3(v) and must provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

Non-exempt EDBs must also complete sections 3(ii) and 3(iii).

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>3(i): Regulatory Profit</b>		<b>(\$000)</b>
8	<b>Income</b>		
9	Line charge revenue		13,870
10	plus Gains / (losses) on asset disposals		(219)
11	plus Other regulated income (other than gains / (losses) on asset disposals)		
12			
13	<b>Total regulatory income</b>		13,651
14	<b>Expenses</b>		
15	less Operational expenditure		3,747
17	less Pass-through and recoverable costs		4,881
18			
19	<b>Operating surplus / (deficit)</b>		5,023
20			
21	less Total depreciation		3,202
22			
23	plus Total revaluation		1,128
24			
25	<b>Regulatory profit / (loss) before tax &amp; term credit spread differential allowance</b>		2,949
26			
27	less Term credit spread differential allowance		-
28			
29	<b>Regulatory profit / (loss) before tax</b>		2,949
30			
31	less Regulatory tax allowance		176
32			
33	<b>Regulatory profit / (loss)</b>		2,774
34			
35	<b>3(ii): Pass-Through and Recoverable Costs</b>		<b>(\$000)</b>
36	<b>Pass-through costs</b>		
37	Rates		
38	Commerce Act levies		
39	Electricity Authority levies		
40	Other specified pass-through costs		
41	<b>Recoverable costs</b>		
42	Net recoverable costs allowed under incremental rolling incentive scheme		
43	Non-exempt EDB electricity lines service charge payable to Transpower		
44	Transpower new investment contract charges		
45	System operator services		
46	Avoided transmission charge		
47	Input Methodology claw-back		
48	Recoverable customised price-quality path costs		
49	<b>Pass-through and recoverable costs</b>		4,881

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

### 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 3(i), 3(iv) and 3(v) and must provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).  
 Non-exempt EDBs must also complete sections 3(ii) and 3(iii).  
 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 March 2013	31 March 2014
57	<b>3(iii): Incremental Rolling Incentive Scheme</b>		
58			
59			
60	Allowed controllable opex		
61	Actual controllable opex		
62			
63	Incremental change in year		
64			
		Previous years' incremental change	Previous years' incremental change adjusted for inflation
65			
66	CY-5 31 Mar 09		
67	CY-4 31 Mar 10		
68	CY-3 31 Mar 11		
69	CY-2 31 Mar 12		
70	CY-1 31 Mar 13		
71	<b>Net incremental rolling incentive scheme</b>		-
72			
73	<b>Net recoverable costs allowed under incremental rolling incentive scheme</b>		-
74	<b>3(iv): Merger and Acquisition Expenditure</b>		
75	Merger and acquisition expenses		
76			
77	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)		
78	<b>3(v): Other Disclosures</b>		
79	Self-insurance allowance		

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

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

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

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

sch ref

		for year ended				
		RAB 31 Mar 10 (\$000)	RAB 31 Mar 11 (\$000)	RAB 31 Mar 12 (\$000)	RAB 31 Mar 13 (\$000)	RAB 31 Mar 14 (\$000)
7	<b>4(i): Regulatory Asset Base Value (Rolled Forward)</b>					
10	Total opening RAB value	64,927	66,905	71,638	72,135	73,883
12	less Total depreciation	3,281	2,856	2,959	3,050	3,202
14	plus Total revaluations	1,329	1,619	1,125	620	1,128
16	plus Assets commissioned	3,930	5,970	2,331	4,149	3,322
18	less Asset disposals					226
20	plus Lost and found assets adjustment					-
22	plus Adjustment resulting from asset allocation				29	197
24	Total closing RAB value	66,905	71,638	72,135	73,883	75,102

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

		Unallocated RAB *		RAB	
		(\$000)	(\$000)	(\$000)	(\$000)
29	Total opening RAB value		73,890		73,883
31	less Total depreciation		3,202		3,202
33	plus Total revaluations		1,128		1,128
35	Assets commissioned (other than below)	1,607		1,376	
36	Assets acquired from a regulated supplier	-		-	
37	Assets acquired from a related party	1,946		1,946	
38	Assets commissioned		3,553		3,322
40	less Asset disposals (other than below)	226		226	
41	Asset disposals to a regulated supplier	-		-	
42	Asset disposals to a related party	-		-	
43	Asset disposals		226		226

Company Name **Network Waitaki Limited**For Year Ended **31 March 2014****SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)**

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

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

sch ref

45	plus Lost and found assets adjustment		
46			
47	plus Adjustment resulting from asset allocation		197
48			
49	Total closing RAB value	75,143	75,102

\* 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 non-regulated services. The RAB value represents the value of these assets after applying this cost allocation. Neither value includes works under construction.

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Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

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

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

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

*sch ref*

#### 58 4(iii): Calculation of Revaluation Rate and Revaluation of Assets

60	CPI <sub>4</sub>	1,192
61	CPI <sub>4</sub> <sup>-4</sup>	1,174
62	Revaluation rate (%)	1.53%

		Unallocated RAB *		RAB	
		(\$000)	(\$000)	(\$000)	(\$000)
66	Total opening RAB value	73,890		73,883	
67	less Opening RAB value of fully depreciated, disposed and lost assets	333		333	
69	Total opening RAB value subject to revaluation	73,557		73,550	
70	Total revaluations		1,128		1,128

#### 72 4(iv): Roll Forward of Works Under Construction

		Unallocated works under construction		Allocated works under construction	
74	Works under construction—preceding disclosure year		368		368
75	plus Capital expenditure	3,966		3,734	
76	less Assets commissioned	3,553		3,322	
77	plus Adjustment resulting from asset allocation				
78	Works under construction - current disclosure year		781		780
80	Highest rate of capitalised finance applied				

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

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

sch ref

Unallocated RAB *		RAB	
(\$000)	(\$000)	(\$000)	(\$000)
3,000		3,000	
202		202	
	3,202		3,202

## (\$000 unless otherwise specified)

		Closing RAB value		
		Depreciation charge for the period (RAB)	under 'non-standard' depreciation	Closing RAB value under 'standard' depreciation
98	Asset or assets with changes to depreciation*	Reason for non-standard depreciation (text entry)		
99				
100				
101				
102				
103				
104				
105				
106				

\* include additional rows if needed

## (\$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
109											
110	<b>Total opening RAB value</b>	4,546	786	9,964	25,388	7,448	16,369	7,245	1,428	709	73,811
111	<i>less</i> Total depreciation	204	15	365	1,163	325	532	333	63	202	3,200
112	<i>plus</i> Total revaluations	70	14	174	383	112	242	105	18	10	1,111
113	<i>plus</i> Assets commissioned	55		549	899	104	489	247	29	950	3,322
114	<i>less</i> Asset disposals				39		72	115		-	226
115	<i>plus</i> Lost and found assets adjustment			-					-		
116	<i>plus</i> Adjustment resulting from asset allocation	9	114	1,391	(126)	(172)	(534)	(285)	(221)	21	19
117	<i>plus</i> Asset category transfers	-								-	

Company Name **Network Waitaki Limited**For Year Ended **31 March 2014****SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)**

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

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

sch ref

118	<b>Total closing RAB value</b>	4,476	899	11,713	25,342	7,167	15,962	6,864	1,191	1,488	75,102
119											
120	<b>Asset Life</b>										
121	Weighted average remaining asset life	46.4	61.1	38.0	33.5	33.9	36.4	27.2	23.3	2.6	(years)
122	Weighted average expected total asset life	58.4	67.3	49.4	54.5	46.8	49.3	37.5	29.4	4.9	(years)

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 28

5a(i): Regulatory Tax Allowance			(\$'000)
	Regulatory profit / (loss) before tax		2,949
plus	Income not included in regulatory profit / (loss) before tax but taxable	*	
	Expenditure or loss in regulatory profit / (loss) before tax but not deductible	*	
	Amortisation of initial differences in asset values	1,132	
	Amortisation of revaluations	104	
			1,236
less	Income included in regulatory profit / (loss) before tax but not taxable	1,128	*
	Discretionary discounts and consumer rebates	657	
	Expenditure or loss deductible but not in regulatory profit / (loss) before tax**	*	
	Notional deductible interest	1,773	
			3,558
	<b>Regulatory taxable income</b>		<b>627</b>
less	Utilised tax losses	-	
	Regulatory net taxable income		627
	Corporate tax rate (%)	28%	
	<b>Regulatory tax allowance</b>		<b>176</b>

\* Workings to be provided in Schedule 14

\*\* Excluding discretionary discounts and consumer rebates

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

## (\$000)

Opening unamortised initial differences in asset values	32,814
Amortisation of initial differences in asset values	1,132
Adjustment for unamortised initial differences in assets acquired	
Adjustment for unamortised initial differences in assets disposed	
Closing unamortised initial differences in asset values	31,682
Opening weighted average remaining asset life (years)	29

## (\$000)

Opening Sum of RAB values without revaluations	73,242	
Adjusted depreciation	3,098	
Total depreciation	3,202	
Amortisation of revaluations		104

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 2.8

5a(v): Reconciliation of Tax Losses		(\$000)
Opening tax losses		-
plus Current period tax losses		
less Utilised tax losses		
Closing tax losses		

## (\$000)

(1,424)

867

1,038

(319)

317

Page 10

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(2,230)

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).

## (\$000)

32,462

3,706

3,804

10

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32,550

Company Name

Network Waitaki Limited

For Year Ended

31 March 2014

## SCHEDULE 5b: REPORT ON RELATED PARTY TRANSACTIONS

This schedule provides information on the valuation of related party transactions, in accordance with section 2.3.6 and 2.3.7 of the ID 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

### 5b(i): Summary—Related Party Transactions

(\$000)

Total regulatory income

Operational expenditure

Capital expenditure

Market value of asset disposals

Other related party transactions

1,004

2,005

### 5b(ii): Entities Involved in Related Party Transactions

Name of related party

Related party relationship

Network Waitaki Contracting Ltd ("NWCL")

Whitestone Contracting Ltd

Wholly owned subsidiary

Shared Director

\* include additional rows if needed

### 5b(iii): Related Party Transactions

Name of related party	Related party transaction type	Description of transaction	Value of transaction (\$000)	Basis for determining value
NWCL	Opex	Maintenance of assets	997	NWCL charge labour & plant at market value with materials having less than a 17% mark-up
Whitestone Contracting Ltd	Opex	Maintenance of assets	7	At market value
				at the price paid – certified by NWL Directors to reflect price for those assets that would be received in an arm's-length transaction.
NWCL	Capex	Load Growth	868	

Commerce Commission Information Disclosure Template

26	NWCL	Capex	Condition Replacement	717	at the price paid – certified by NWL Directors to reflect price for those assets that would be received in an arm’s-length transaction.
27	NWCL	Capex	Customer Connection	160	at the price paid – certified by NWL Directors to reflect price for those assets that would be received in an arm’s-length transaction.
28	NWCL	Capex	Security	260	at the price paid – certified by NWL Directors to reflect price for those assets that would be received in an arm’s-length transaction.
29		[Select one]			
30		[Select one]			
31		[Select one]			
32		[Select one]			
33		[Select one]			
34		[Select one]			
35		[Select one]			
36		[Select one]			
37		[Select one]			
* include additional rows if needed					

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

### SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

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

sch ref

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

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

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

Gross term credit spread differential

-

Total book value of interest bearing debt

Leverage

44%

Average opening and closing RAB values

Attribution Rate (%)

-

Term credit spread differential allowance

-

Company Name	<b>Network Waitaki Limited</b>
For Year Ended	<b>31 March 2014</b>

**SCHEDULE 5d: REPORT ON COST ALLOCATIONS**

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

sch ref

**5d(i): Operating Cost Allocations**

	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase (\$000s)
<b>Service interruptions and emergencies</b>					
Directly attributable		227			
Not directly attributable					
<b>Total attributable to regulated service</b>		227			
<b>Vegetation management</b>					
Directly attributable		308			
Not directly attributable					
<b>Total attributable to regulated service</b>		308			
<b>Routine and corrective maintenance and inspection</b>					
Directly attributable		502			
Not directly attributable					
<b>Total attributable to regulated service</b>		502			
<b>Asset replacement and renewal</b>					
Directly attributable		626			
Not directly attributable					
<b>Total attributable to regulated service</b>		626			
<b>System operations and network support</b>					
Directly attributable		1,357			
Not directly attributable					
<b>Total attributable to regulated service</b>		1,357			
<b>Business support</b>					
Directly attributable		99			
Not directly attributable		628	174	802	
<b>Total attributable to regulated service</b>		727			
<b>Operating costs directly attributable</b>		3,119			
<b>Operating costs not directly attributable</b>		628	174	802	
<b>Operating expenditure</b>		3,747			

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

<b>Pass through and recoverable costs</b>	
<b>Pass through costs</b>	
Directly attributable	131
Not directly attributable	
<b>Total attributable to regulated service</b>	131
<b>Recoverable costs</b>	
Directly attributable	4,750
Not directly attributable	
<b>Total attributable to regulated service</b>	4,750

**5d(iii): Changes in Cost Allocations\* †****Change in cost allocation 1**

Cost category	Business Support
Original allocator or line items	Estimate of Usage
New allocator or line items	Headcount

	Original allocation	579	628
	New allocation	643	696
	Difference	(64)	(68)

Rationale for change

Network Waitaki considered an allocation based on headcount to be more accurate.

**Change in cost allocation 2**

Cost category	Pass through costs - Rates
Original allocator or line items	Estimate of Usage
New allocator or line items	Actual Costs

	Original allocation	52	74
	New allocation	65	93
	Difference	(13)	(19)

Rationale for change

For pass through costs in the previous year (31 Mar 2013), Rates were considered not directly attributable. We now consider that these should have simply been included as directly attributable costs as the Rates themselves relate to specific properties which are directly attributable to electricity distribution services. In the year to 31 Mar 2013, Network Waitaki Limited reported \$65K of Rates, \$52K of which was said to be allocated to electricity distribution services and \$13K was said to be allocated to non-electricity distribution services. However, the full \$65K should have been directly attributable to electricity distribution. In the current year to 31 Mar 2014, the full amount of Rates (\$93K) is included in Pass-through costs, Directly attributable. Schedule 5f. Cost Allocation Support does not include a breakdown of Rates as they are all directly attributable, however, we include this note here in 5d(iii) for information purposes.

**Change in cost allocation 3**

Cost category	
Original allocator or line items	
New allocator or line items	

	Original allocation		
	New allocation		
	Difference	-	-

Rationale for change

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

† include additional rows if needed

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

## SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

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

sch ref

### 5e(i): Regulated Service Asset Values

	Value allocated (\$000s) Electricity distribution services
<b>Subtransmission lines</b>	
Directly attributable	4476
Not directly attributable	
<b>Total attributable to regulated service</b>	4,476
<b>Subtransmission cables</b>	
Directly attributable	899
Not directly attributable	
<b>Total attributable to regulated service</b>	899
<b>Zone substations</b>	
Directly attributable	11713
Not directly attributable	
<b>Total attributable to regulated service</b>	11,713
<b>Distribution and LV lines</b>	
Directly attributable	25342
Not directly attributable	
<b>Total attributable to regulated service</b>	25,342
<b>Distribution and LV cables</b>	
Directly attributable	7167
Not directly attributable	
<b>Total attributable to regulated service</b>	7,167
<b>Distribution substations and transformers</b>	
Directly attributable	15962
Not directly attributable	
<b>Total attributable to regulated service</b>	15,962
<b>Distribution switchgear</b>	
Directly attributable	6864
Not directly attributable	
<b>Total attributable to regulated service</b>	6,864
<b>Other network assets</b>	
Directly attributable	1191
Not directly attributable	
<b>Total attributable to regulated service</b>	1,191
<b>Non-network assets</b>	
Directly attributable	1327
Not directly attributable	161
<b>Total attributable to regulated service</b>	1,488
<b>Regulated service asset value directly attributable</b>	74,941
<b>Regulated service asset value not directly attributable</b>	161
<b>Total closing RAB value</b>	75,102

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

			(\$000)	
			CY-1 31 Mar 13	Current Year (CY) 31 Mar 14
<b>Change in asset value allocation 1</b>				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
<b>Change in asset value allocation 2</b>				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
<b>Change in asset value allocation 3</b>				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				

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

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

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

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

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

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

sch ref

### 6a(i): Expenditure on Assets

	(\$000)	(\$000)
Consumer connection		760
System growth		1,606
Asset replacement and renewal		905
Asset relocations		-
Reliability, safety and environment:		
Quality of supply	854	
Legislative and regulatory	41	
Other reliability, safety and environment	21	
<b>Total reliability, safety and environment</b>		<b>916</b>
<b>Expenditure on network assets</b>		<b>4,187</b>
Non-network assets		1,007
<b>Expenditure on assets</b>		<b>5,194</b>
plus Cost of financing		
less Value of capital contributions		1,460
plus Value of vested assets		
<b>Capital expenditure</b>		<b>3,734</b>

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

	(\$000)
Energy efficiency and demand side management, reduction of energy losses	
Overhead to underground conversion	182
Research and development	

### 6a(iii): Consumer Connection

Consumer types defined by EDB\*

	(\$000)	(\$000)
Large	558	
Medium	102	
Small	100	
[EDB consumer type]		
[EDB consumer type]		
* include additional rows if needed		
<b>Consumer connection expenditure</b>		<b>760</b>
less Capital contributions funding consumer connection expenditure	469	
<b>Consumer connection less capital contributions</b>		<b>291</b>

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

	System Growth (\$000)	Asset Replacement and Renewal (\$000)
Subtransmission	62	49
Zone substations	390	
Distribution and LV lines	853	543
Distribution and LV cables	148	97
Distribution substations and transformers	129	102
Distribution switchgear	24	
Other network assets		115
<b>System growth and asset replacement and renewal expenditure</b>	<b>1,606</b>	<b>905</b>
less Capital contributions funding system growth and asset replacement and renewal	991	-
<b>System growth and asset replacement and renewal less capital contributions</b>	<b>615</b>	<b>905</b>

### 6a(v): Asset Relocations

Project or programme\*

	(\$000)	(\$000)
[Description of material project or programme]		
[Description of material project or programme]		
[Description of material project or programme]		
[Description of material project or programme]		
[Description of material project or programme]		
* include additional rows if needed		
All other asset relocations projects or programmes		

Company Name

Network Waitaki Limited

For Year Ended

31 March 2014

**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

65	<b>Asset relocations expenditure</b>			-
66	less	Capital contributions funding asset relocations		
67	<b>Asset relocations less capital contributions</b>			-

Company Name **Network Waitaki Limited**  
 For Year Ended **31 March 2014**

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

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

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

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

sch ref

### 6a(vi): Quality of Supply

Project or programme\*

Fibre Roll out to Various Substations

Replace Redcastle Transformers

Rebuild Teschmakers Road 11kV line section

Install reclosers/sectionalisers

Move 3MVar Capacitor to Chelmer (incl. new CB)

Pukeuri Substation feasibility studies, geotech studies, design

Replace 110V DC Battery Chargers at Various Substations

\* include additional rows if needed

All other quality of supply projects or programmes

#### Quality of supply expenditure

less Capital contributions funding quality of supply

#### Quality of supply less capital contributions

(\$000)

(\$000)

141

206

101

77

60

56

50

163

854

854

### 6a(vii): Legislative and Regulatory

Project or programme\*

Non Compliant Distribution Box Replacement

[Description of material project or programme]

[Description of material project or programme]

[Description of material project or programme]

[Description of material project or programme]

\* include additional rows if needed

All other legislative and regulatory projects or programmes

#### Legislative and regulatory expenditure

less Capital contributions funding legislative and regulatory

#### Legislative and regulatory less capital contributions

(\$000)

(\$000)

41

41

41

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

Project or programme\*

Easements

[Description of material project or programme]

[Description of material project or programme]

[Description of material project or programme]

[Description of material project or programme]

\* include additional rows if needed

All other reliability, safety and environment projects or programmes

#### Other reliability, safety and environment expenditure

less Capital contributions funding other reliability, safety and environment

#### Other reliability, safety and environment less capital contributions

(\$000)

(\$000)

21

21

21

### 6a(ix): Non-Network Assets

#### Routine expenditure

Project or programme\*

Computer Hardware

Computer Software

Plant & Equipment

[Description of material project or programme]

\* include additional rows if needed

All other routine expenditure projects or programmes

#### Routine expenditure

#### Atypical expenditure

Project or programme\*

Land

Buildings

[Description of material project or programme]

[Description of material project or programme]

[Description of material project or programme]

\* include additional rows if needed

(\$000)

(\$000)

56

143

58

257

(\$000)

(\$000)

203

547

Company Name

Network Waitaki Limited

For Year Ended

31 March 2014

**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

131	All other atypical expenditure projects or programmes		
132	<b>Atypical expenditure</b>		750
133			
134	<b>Non-network assets expenditure</b>		1,007

Company Name

Network Waitaki Limited

For Year Ended

31 March 2014

**SCHEDULE 6b: REPORT ON OPERATIONAL EXPENDITURE FOR THE DISCLOSURE YEAR**

This schedule requires a breakdown of operating 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 operating 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	227	
9	Vegetation management	308	
10	Routine and corrective maintenance and inspection	502	
11	Asset replacement and renewal	626	
12	<b>Network opex</b>		1,663
13	System operations and network support	1,357	
14	Business support	727	
15	<b>Non-network opex</b>		2,084
16			
17	<b>Operational expenditure</b>		3,747
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		100
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		

Company Name **Network Waitaki Limited**For Year Ended **31 March 2014****SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE**

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

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

sch ref

7	<b>7(i): Revenue</b>	<b>Target (\$000) <sup>1</sup></b>	<b>Actual (\$000)</b>	<b>% variance</b>
8	Line charge revenue	14,739	13,870	(6%)
9	<b>7(ii): Expenditure on Assets</b>	<b>Forecast (\$000) <sup>2</sup></b>	<b>Actual (\$000)</b>	<b>% variance</b>
10	Consumer connection	405	760	88%
11	System growth	1,291	1,606	24%
12	Asset replacement and renewal	1,516	905	(40%)
13	Asset relocations	50	-	(100%)
14	Reliability, safety and environment:			
15	Quality of supply	1,506	854	(43%)
16	Legislative and regulatory	50	41	(18%)
17	Other reliability, safety and environment	-	21	-
18	<b>Total reliability, safety and environment</b>	1,556	916	(41%)
19	<b>Expenditure on network assets</b>	4,818	4,187	(13%)
20	Non-network capex	190	1,007	430%
21	<b>Expenditure on assets</b>	5,008	5,194	4%
22	<b>7(iii): Operational Expenditure</b>			
23	Service interruptions and emergencies	260	227	(13%)
24	Vegetation management	250	308	23%
25	Routine and corrective maintenance and inspection	441	502	14%
26	Asset replacement and renewal	770	626	(19%)
27	<b>Network opex</b>	1,722	1,663	(3%)
28	System operations and network support	1,510	1,357	(10%)
29	Business support	882	727	(18%)
30	<b>Non-network opex</b>	2,392	2,084	(13%)
31	<b>Operational expenditure</b>	4,114	3,747	(9%)
32	<b>7(iv): Subcomponents of Expenditure on Assets (where known)</b>			
33	Energy efficiency and demand side management, reduction of energy losses	-	-	-
34	Overhead to underground conversion	90	182	102%
35	Research and development	-	-	-
36				
37	<b>7(v): Subcomponents of Operational Expenditure (where known)</b>			
38	Energy efficiency and demand side management, reduction of energy losses	-	-	-
39	Direct billing	-	-	-
40	Research and development	-	-	-
41	Insurance	104	100	(4%)

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

2 From the nominal dollar expenditure forecast and disclosed in the second to last AMP as the year CY+1 forecast

Company Name	Network Waitaki Limited
For Year Ended	31 March 2014
Network / Sub-Network Name	Network Waitaki (no sub-networks)

**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 EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

**8(i): Billed Quantities by Price Component**

Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Average no. of ICPs in disclosure year	Energy delivered to ICPs in disclosure year (MWh)
Independent Contract Customers ("IND")	large commercial and industrial	Non-standard	37	57,291
Small	residential and commercial to 15kVA	Standard	10,325	84,171
Medium	residential and commercial to 16 kVA to 50kVA	Standard	1,339	30,226
Large	commercial and industrial 51kVA and above	Standard	421	59,845
		[Select one]		
		[Select one]		
		[Select one]		
		[Select one]		
		[Select one]		
Add extra rows for additional consumer groups or price category codes as necessary				
Standard consumer totals			12,085	174,242
Non-standard consumer totals			37	57,291
Total for all consumers			12,122	231,532

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

Price component

**Billed quantities by price component**

Distribution Fixed	Distribution Variable	Transmission Fixed	Transmission Variable	IND Distribution	IND Transmission
ICPs	MWh	ICPs	MWh	ICPs	ICPs
				37	37
10,325	84,171	10,325	84,171		
1,339	30,226	1,339	30,226		
421	59,845	421	59,845		
12,085	174,242	12,085	174,242	-	-
				37	37
12,085	174,242	12,085	174,242	37	37

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

Company Name	Network Waitaki Limited
For Year Ended	31 March 2014
Network / Sub-Network Name	Network Waitaki (no sub-networks)

**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 EDB 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(ii): 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 (if applicable)	Total distribution line charge revenue	Total transmission line charge revenue (if available)	Rate (eg, \$/day, \$/kWh, etc.)	Line charge revenues (\$000) by price component					
								Distribution Fixed	Distribution Variable	Transmission Fixed	Transmission Variable	IND Distribution	IND Transmission
								ICPs	MWh	ICPs	MWh	ICPs	ICPs
Customers ("IND")	large commercial and industrial	Non-standard	\$2,203		\$897	\$1,306						\$897	\$1,306
Small	residential and commercial to 15kVA	Standard	\$5,735		\$3,857	\$1,878		\$747	\$3,110	\$305	\$1,574		
Medium	residential and commercial to 16 kVA to 50kVA	Standard	\$2,025		\$1,337	\$687		\$194	\$1,143	\$122	\$565		
Large	commercial and industrial 51kVA and above	Standard	\$3,907		\$2,688	\$1,219		\$118	\$2,570	\$99	\$1,119		
		[Select one]	-										
		[Select one]	-										
		[Select one]	-										
		[Select one]	-										
		[Select one]	-										
		[Select one]	-										
Add extra rows for additional consumer groups or price category codes as necessary													
Standard consumer totals			\$11,667	-	\$7,882	\$3,784		\$1,059	\$6,823	\$526	\$3,258	-	-
Non-standard consumer totals			\$2,203	-	\$897	\$1,306		-	-	-	-	\$897	\$1,306
Total for all consumers			\$13,870	-	\$8,779	\$5,091		\$1,059	\$6,823	\$526	\$3,258	\$897	\$1,306

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

2

Check ☐ OK

Company Name	Network Waitaki Limited
For Year Ended	31 March 2014
Network / Sub-network Name	Network Waitaki (no sub-networks)

**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	Voltage	Asset category	Asset class	Units	Items at start of	Items at end of	Data accuracy	
					year (quantity)	year (quantity)	Net change	1-4
8	All	Overhead Line	Concrete poles / steel structure	No.	8,637	8,659	22	3
9	All	Overhead Line	Wood poles	No.	13,260	13,285	25	3
10	All	Overhead Line	Other pole types	No.	21	21	-	3
11	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	161	161	-	2
12	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
13	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	4	4	-	2
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	0	0	-	2
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.	16	16	-	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.	108	108	-	3
28	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	N/A
29	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	11	11	-	3
30	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	19	20	1	3
31	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	66	66	-	3
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	3	3	-	3
33	HV	Zone Substation Transformer	Zone Substation Transformers	No.	21	22	1	4
34	HV	Distribution Line	Distribution OH Open Wire Conductor	km	1,341	1,351	10	2
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	40	40	-	2
38	HV	Distribution Cable	Distribution UG PILC	km	16	16	-	2
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.	38	38	-	3
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.	3,078	3,196	118	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.	37	38	1	3
45	HV	Distribution Transformer	Pole Mounted Transformer	No.	2,227	2,298	71	2
46	HV	Distribution Transformer	Ground Mounted Transformer	No.	331	359	28	2
47	HV	Distribution Transformer	Voltage regulators	No.	12	12	-	3
48	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	N/A
49	LV	LV Line	LV OH Conductor	km	249	249	0	2
50	LV	LV Cable	LV UG Cable	km	83	84	1	2
51	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	79	79	-	2
52	LV	Connections	OH/UG consumer service connections	No.	12,326	12,431	105	3
53	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	118	118	-	2
54	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	-	3
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.	9,482	9,553	71	4
58	All	Civils	Cable Tunnels	km	-	-	-	N/A

Company Name	Network Waitaki Limited
For Year Ended	31 March 2014
Network / Sub-network Name	Network Waitaki (no sub-networks)

**SCHEDULE 9b: ASSET AGE PROFILE**

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

Disclosure Year (year ended)		31 March 2014		Number of assets at disclosure year end by installation date																				No. with Age unknown	Total assets at year end	No. with default dates	Data accuracy [%-d]				
	Voltage	Asset category	Asset class	Units	pre-1940	1940 –1949	1950 –1959	1960 –1969	1970 –1979	1980 –1989	1990 –1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014					
9	All	Overhead Line	Concrete poles / steel structure	No.	3	9	138	2,768	585	413	61	29	40	22	22	22	36	18	7	13	11	5	8	22	71	22	4,312	8,659	-	3	
10	All	Overhead Line	Wood poles	No.	2	-	85	3,046	981	875	325	65	150	117	165	201	438	445	616	218	272	355	238	242	171	25	4,253	13,285	-	3	
12	All	Overhead Line	Other pole types	No.	-	-	-	2	2	1	1	-	-	-	-	-	-	-	-	7	4	4	-	-	-	-	-	21	-	3	
13	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	-	-	-	21	17	-	0	32	-	-	-	-	11	23	0	0	3	10	17	-	-	-	27	161	-	2	
14	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	-	-	-	-	0	-	0	-	-	0	0	0	1	0	1	1	-	-	-	-	-	-	2	4	-	2	
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
18	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	-	0	0	0	-	-	-	0	-	-	-	-	-	-	-	-	-	-	-	-	0	-	2	
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
22	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
23	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
24	HV	Zone substation Buildings	Zone substations up to 66kV	No.	-	-	-	3	6	1	-	-	-	-	-	1	1	-	2	-	-	-	1	-	1	-	-	16	-	4	
25	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	1	-	4	
26	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
27	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	1	-	4	
28	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
29	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	-	-	-	3	4	15	18	1	14	1	2	-	4	15	7	-	1	-	5	-	6	-	12	108	-	3	
30	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
31	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	1	-	-	-	-	-	-	11	-	3	
32	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	-	-	-	-	3	-	-	-	3	3	-	-	-	5	-	-	-	-	2	-	3	1	-	20	-	3	
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	-	-	-	14	14	2	3	4	-	-	-	2	-	9	-	9	11	-	-	-	-	-	-	66	-	3	
34	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	3	
35	HV	Zone Substation Transformer	Zone Substation Transformer	No.	-	-	-	3	6	2	3	-	-	-	-	-	-	-	-	-	-	1	2	-	1	1	-	22	-	4	
46	HV	Distribution Line	Distribution OH Open Wire Conductor	km	18	12	76	282	278	296	44	18	8	11	9	18	10	38	31	55	20	31	19	13	19	10	36	1,351	-	2	
47	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
48	HV	Distribution Line	SWER conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
49	HV	Distribution Cable	Distribution UG XLPE or PVC	km	0	0	0	0	0	3	2	1	1	1	2	2	1	1	1	4	1	2	2	1	16	-	-	40	-	2	
50	HV	Distribution Cable	Distribution UG PILC	km	-	-	0	2	4	2	4	0	0	0	0	0	1	1	0	0	-	-	-	-	-	-	1	16	-	2	
51	HV	Distribution Cable	Distribution Submarine Cable	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
52	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	-	-	-	-	1	-	12	6	5	1	4	-	-	-	-	-	-	-	-	-	-	1	-	8	38	-	3
53	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
54	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	3	1	14	116	311	560	372	49	51	147	151	104	86	96	112	147	166	199	168	143	120	118	62	3,196	-	3	
55	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
56	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	-	-	-	-	1	-	3	2	1	1	2	-	5	1	-	7	2	1	4	-	-	1	-	7	38	-	3
57	HV	Distribution Transformer	Pole Mounted Transformer	No.	1	8	143	301	503	337	32	31	64	45	50	53	79	96	73	99	39	73	70	69	71	63	2,298	-	2		
58	HV	Distribution Transformer	Ground Mounted Transformer	No.	-	-	1	16	12	26	12	15	18	18	19	16	23	11	23	30	17	22	14	24	28	14	359	-	2		
59	HV	Distribution Transformer	Voltage regulators	No.	-	-	-	-	-	-	1	-	-	2	1	-	-	-	-	-	-	-	3	4	-	-	1	12	-	3	
60	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	
61	LV	LV Line	LV OH Conductor	km	-	0	2	20	34	25	8	0	1	0	0	1	1	0	1	0	0	0	0	0	1	0	154	249	-	2	
62	LV	LV Cable	LV UG Cable	km	-	-	0	5	3	5	1	1	1	2	4	3	5	3	5	3	4	2	2	1	2	1	38	84	-	2	
63	LV	LV Street lighting	LV/OH/UG Streetlight circuit	km	-	-	-	-	0	0	0	0	0	-	0	0	0	0	1	0	0	2	0	-	0	-	74	79	-	2	
64	LV	Connections	OH/UG consumer service connections	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	54	101	191	145	32	99	26	59	11,619	12,431	-	3		
65	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	-	-	-	-	-	-	17	15	-	-	7	-	17	14	-	19	-	1	2	-	-	26	118	-	2		
66	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	3	-	
67	All	Capacitor Banks	Capacitors including controls	Lot	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	2	-	4	
68	All	Load Control	Centralised plant	Lot	-	-	-	-	-	-	2	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	3	-	4	
69	All	Load Control	Relays	No.	-	-	-	-	-	-	805	884	929	1,017	629	792	1,234	582	619	478	483	352	488	83	63	71	44	9,553	-	4	
70	All	Civils	Cable Tunnels	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A	

Company Name

Network Waitaki Limited

For Year Ended

31 March 2014

Network / Sub-network Name

Network Waitaki (no sub-networks)

**SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES**

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

sch ref

9

10 **Circuit length by operating voltage (at year end)**

11 &gt; 66kV

12 50kV &amp; 66kV

13 33kV

14 SWER (all SWER voltages)

15 22kV (other than SWER)

16 6.6kV to 11kV (inclusive—other than SWER)

17 Low voltage (&lt; 1kV)

18 **Total circuit length (for supply)**

19

20 Dedicated street lighting circuit length (km)

21 Circuit in sensitive areas (conservation areas, iwi territory etc) (km)

22

23 **Overhead circuit length by terrain (at year end)**

24 Urban

25 Rural

26 Remote only

27 Rugged only

28 Remote and rugged

29 Unallocated overhead lines

30 **Total overhead length**

Total circuit length

Overhead (km)	Underground (km)	(km)
-	-	-
-	-	-
161	5	166
-	-	-
-	-	-
1,351	56	1,407
249	84	333
1,761	145	1,906

79	7	86

(% of total

Circuit length (km)	overhead length)
237	13%
1,212	69%
277	16%
-	-
-	-
35	2%
1,761	100%

Commerce Commission Information Disclosure Template

31			
32			(% of total circuit length)
33	Length of circuit within 10km of coastline or geothermal areas (where known)	Circuit length (km) 797	42%
34			(% of total overhead length)
35	Overhead circuit requiring vegetation management	Circuit length (km) 191	11%

Company Name

Network Waitaki Limited

For Year Ended

31 March 2014

**SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS**

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

sch ref

	Location *	Number of ICPs served	Line charge revenue (\$000)
8			
9	N/A - no embedded networks present.		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

\* 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 2014
Network / Sub-network Name	Network Waitaki (no sub-networks)

**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\*

Independent Contract Customers ("IND")

Small

Medium

Large

[EDB consumer type]

\* include additional rows if needed

Connections total

Number of  
connections (ICPs)

-
(126)
(83)
15

(194)

**Distributed generation**

Number of connections made in year

2 connections

Capacity of distributed generation installed in year

- MVA

**9e(ii): System Demand****Maximum coincident system demand**

GXP demand

51

plus Distributed generation output at HV and above

-

Maximum coincident system demand

51

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

-

Demand on system for supply to consumers' connection points

51

**Electricity volumes carried**

Electricity supplied from GXPs

237

less Electricity exports to GXPs

plus Electricity supplied from distributed generation

less Net electricity supplied to (from) other EDBs

Electricity entering system for supply to consumers' connection points

237

less Total energy delivered to ICPs

232

Electricity losses (loss ratio)

6

2.4%

Load factor

1

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

(MVA)

Distribution transformer capacity (EDB owned)

170

Distribution transformer capacity (Non-EDB owned)

3

Total distribution transformer capacity

173

Zone substation transformer capacity

176

Company Name **Network Waitaki Limited**For Year Ended **31 March 2014**Network / Sub-network Name **Network Waitaki (no sub-networks)****SCHEDULE 10: REPORT ON NETWORK RELIABILITY**

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

sch ref

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

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

2
66
96
2
166

**Total****Interruption restoration**

≤3Hrs &gt;3hrs

Class C interruptions restored within

68	28
----	----

**SAIFI and SAIDI by class**

SAIFI SAIDI

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

0.00	0.1
0.04	7.69
1.61	87.44
0.00	0.0
1.64	95.23

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

Normalised SAIFI Normalised SAIDI

Classes B &amp; C (interruptions on the network)

1.31	81.4
------	------

**Quality path normalised reliability limit**

SAIFI reliability limit SAIDI reliability limit

SAIFI and SAIDI limits applicable to disclosure year\*

N/A	N/A
-----	-----

\* not applicable to exempt EDBs

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

SAIFI SAIDI

Lightning  
 Vegetation  
 Adverse weather  
 Adverse environment  
 Third party interference  
 Wildlife  
 Human error  
 Defective equipment  
 Cause unknown

0.00	0.1
0.13	7.1
0.58	35.3
0.31	14.9
0.02	1.1
0.03	0.0
0.46	27.0
0.07	2.0

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

SAIFI SAIDI

Subtransmission lines  
 Subtransmission cables  
 Subtransmission other  
 Distribution lines (excluding LV)  
 Distribution cables (excluding LV)  
 Distribution other (excluding LV)

0.03	6.2
0.00	0.5
0.01	1.0

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

SAIFI SAIDI

Subtransmission lines  
 Subtransmission cables  
 Subtransmission other  
 Distribution lines (excluding LV)  
 Distribution cables (excluding LV)  
 Distribution other (excluding LV)

0.19	4.9
1.31	78.9
0.01	1.4
0.09	2.3

**10(v): Fault Rate**

81	<b>Main equipment involved</b>	<b>Number of Faults</b>	<b>Circuit length (km)</b>	<b>Fault rate (faults per 100km)</b>
82	Subtransmission lines		161	-
83	Subtransmission cables		5	-
84	Subtransmission other	4		
85	Distribution lines (excluding LV)	120	1,351	8.88
86	Distribution cables (excluding LV)	11	56	19.63
87	Distribution other (excluding LV)	27		
88	<b>Total</b>	162		

Company Name	Network Waitaki Limited
For Year Ended	31 March 2014

## Schedule 14 Mandatory Explanatory Notes

*(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012)*

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 2.5.2.
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 12 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 clause 2.7.1(2).

#### **Box 1: Explanatory comment on return on investment**

Network Waitaki Limited's Return on Investment is within industry norms.

ROIs for FY12 and FY13 as stated in Schedule 2 of the current 2014 Information Disclosure templates, stand at 2.78% and 1.46% respectively post-tax (3.61% and 2.23% pre-tax). However, if the FY12 and FY13 ROIs were restated to include revaluations (\$1,125K for FY12 and \$620K for FY13) as permanent tax differences they would be 3.47% and 1.70% respectively, post-tax (4.29% and 2.48% pre-tax).

### *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 regulatory line income' other than gains and losses on asset sales, as disclosed in 3(i) of Schedule 3
  - 5.2 information on reclassified items in accordance with clause 2.7.1(2).

**Box 2: Explanatory comment on regulatory profit**

'Other regulated income (other than gains / (losses) on asset disposals)' was nil.

No items have been reclassified this year.

*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 clause 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**

N/A – no mergers or acquisitions have taken place 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 clause 2.7.1(2).

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

Network Waitaki Limited completed an extensive Information Technology project in 2013/14 where it transitioned to a new computer system for its regulatory fixed asset register. This has resulted in more detailed information being used, with some changes to the Regulatory Asset Base compared to what was previously reported in 2012/13.

Aside from the changes as a result of the new computer system for the regulatory fixed asset register, the roll forward of Network Waitaki Limited's regulatory asset base was done using standard procedures.

No items have been reclassified this year.

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

8. In the box below, provide descriptions and workings of the following items, as recorded in the asterisked categories in 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**

Income included in regulatory profit/(loss) before tax but not taxable of \$1,128K is the 2014 revaluation of the RAB.

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

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

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

The tax effect of other temporary differences is the tax effect of the movement in the future income to be returned for capital contributions. The future income to be returned amount to \$1,139,000 @ 28% = \$319,000.

*Related party transactions: disclosure of related party transactions (Schedule 5b)*

10. In the box below, provide descriptions of related party transactions beyond those disclosed on schedule 5b including identification and descriptions as to the nature of directly attributable costs disclosed under clause 2.3.6(1)(b).

**Box 7: Related party transactions**

All related party transactions have been disclosed in full in Schedule 5b.

*Cost allocation (Schedule 5d)*

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

**Box 8: Cost allocation**

The Business Support operational expenditure category has costs that are not directly attributable. These include: Labour, ACC, Professional Subscriptions, Training, Computers, Communications, Subscriptions, Audit, Apparel, Bank Fees, Directors' Expenses, Printing and Stationery, Travel and Accommodation and Meals, and Vehicle Operating Costs.

The allocation methodology used in Business Support is ABAA.

A proxy cost allocator has been used for Business Support.

In the previous year an estimate of the use of the resource between regulated and non-regulated services was used as an allocator. However, to give greater accuracy in the current year's disclosures, a strict allocation of the head count of the personnel assigned to use each resource has been used as an allocator. The changes for which are detailed in Schedule 5d(iii).

For Business Support, the previous year's categories of Cell Phones and Telephone and Tolls have been reclassified as Communications. Further, the previous year's categories of Support and Licenses have been reclassified as Computers.

Nothing in the Rates category has been reclassified.

For pass through costs in the previous year (31 Mar 2013), Rates were considered not directly attributable. We now consider that these should have simply been included as directly attributable costs as the Rates themselves relate to specific properties which are directly attributable to electricity distribution services.

In the year to 31 Mar 2013, Network Waitaki reported \$65K of Rates, \$52K of which was said to be allocated to electricity distribution services and \$13K was said to be allocated to non-electricity distribution services. However, the full \$65K should have been directly attributable to electricity distribution. In the current year to 31 Mar 2014, the full amount of Rates (\$93K) is included in Pass-through costs, Directly attributable.

Schedule 5f. Cost Allocation Support does not include a breakdown of Rates as they are all directly attributable, however, we do include a note on this change in allocations in Schedule 5d(iii).

*Asset allocation (Schedule 5e)*

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

**Box 9: Commentary on asset allocation**

The Non-network asset category has costs that are not directly attributable. These include: Office Equipment, Software, Motor Vehicles, Plant & Equipment.

The allocation methodology used in all cases is ABAA.

A proxy cost allocator has been used in all cases.

The previous year's categories of Corporate Computers, Office Equipment and Corporate Office Equipment have been reclassified under the single category of Office Equipment this year. The previous year's category of Corporate Software has been shortened to Software. Furthermore, the previous year's category of Corporate Plant and Equipment has been shortened to Plant and Equipment this year.

*Capital Expenditure for the Disclosure Year (Schedule 6a)*

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

- 13.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;
- 13.2 information on reclassified items in accordance with clause 2.7.1(2),

**Box 10: Explanation of capital expenditure for the disclosure year**

A materiality threshold of \$1,000 has been applied to identify material projects. Below this threshold Network Waitaki Limited has had capital expenditure targeting the category Energy efficiency and demand side management, reduction of energy losses. However, as this was below the materiality threshold, Network Waitaki has disclosed a nil balance for this category in Schedule 6a.

No items have been reclassified this year.

*Operational Expenditure for the Disclosure Year (Schedule 6b)*

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

- 14.1 commentary on assets replaced or renewed with asset replacement and renewal operating expenditure, as reported in 6b(i) of Schedule 6b;
- 14.2 information on reclassified items in accordance with clause 2.7.1(2);
- 14.3 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 11: Explanation of operational expenditure for the disclosure year**

Assets replacement or renewal opex includes:

33 kV Sub transmission overhead (“O/H”) maintenance (insulators, cross arms etc.) \$93,178

11 kV Distribution O/H maintenance (insulators, cross arms, etc.) \$213,451

LV and Service Line O/H maintenance \$254,006

Zone substation transformer overhaul of tap changers at various sites \$ 25,668

Distribution transformer non-routine maintenance at various sites \$45,850

No items have been reclassified this year.

There was no significant atypical maintenance.

*Variance between forecast and actual expenditure (Schedule 7)*

15. 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 clause 2.7.1(2).

**Box 12: Explanatory comment on variance in actual to forecast expenditure****Expenditure of Assets**

**Consumer Connection:** - was significantly more than forecast as Network Waitaki Limited has no control over the demand for customer connections to its network. The forecast was based on historical trends and economic data available at the time of preparing the forecast.

**System Growth:** - actual expenditure was greater than forecast, due to a large new irrigation connection that required significant work outside that forecasted to increase the supply capacity at Kurow Substation.

**Asset Replacement & Renewal:** - actual expenditure was less than forecast as priority was given to consumer connections and system growth. Next to safety related work, Network Waitaki Limited places the highest priority on to consumer driven work. With the ongoing conversion of dry land farming operations to dairying there will be years like this one where the consumer driven work requires Network Waitaki Limited to reduce its expenditure in other areas.

**Asset Relocations:-** asset relocations are mainly driven by requests from third parties. Actual expenditure in this category was zero as there were no requests for relocations. Network Waitaki Limited budgeted for a job related to work being done by a third party. The third party decided not to proceed with that work, hence Network Waitaki Limited deferred this expenditure.

**Reliability, Safety, and Environment:** - Actual expenditure was considerably less than forecast mainly due to the Pukeuri Substation Upgrade not proceeding as the Network Waitaki Limited Board required more information, and also because of a reprioritisation of work on new connections and system growth.

**Operational Expenditure**

**Service interruptions and emergencies:** – reflecting a downward trend of recent years, service interruptions and emergencies were less than anticipated. Network Waitaki Limited may review its budgets to reflect this new trend for future years.

**Vegetation management:** - actual expenditure was greater than forecast, primarily due to the opportunity that arose to complete one major tree felling job. The rest of the vegetation work was in line with forecast.

**Routine and corrective maintenance and inspection:-** actual expenditure was greater than forecast due to additional paper sampling tests done on zone substation transformers (because of inconsistent results) and more load controller maintenance than forecasted.

**Asset replacement and renewal:-** was less than forecast due to 11 kV line renewal work not being completed due contracting resources being less than anticipated.

*Information relating to revenue and quantities for the disclosure year*

16. In the box below provide-

- 16.1 a comparison of the target revenue disclosed before the start of the disclosure year, in accordance with clauses 2.4.1 and 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and
- 16.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

**Box 13: Explanatory comment relating to revenue for the disclosure year**

Network Waitaki Limited's target revenue for 2013/14 was \$14.7 million. Total billed line charge revenue was \$13.9 million. This is a variation of \$869K, or 6 per cent which is not considered to be material.

*Network Reliability for the Disclosure Year (Schedule 10)*

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

**Box 14: Commentary on network reliability for the disclosure year**

Network Waitaki Limited continues to achieve high reliability on its network. SAIDI and SAIFI Indexes, although higher than last year are still at acceptable levels in 2013/14.

There are inherent limitations in the ability of Network Waitaki Limited to collect and record the network reliability information required to be disclosed in Reports 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 installation control point ('ICP') data included in the SAIDI and SAIFI calculations is limited throughout the year.

*Insurance cover*

18. In the box below provide details of any insurance cover for the assets used to provide electricity distribution services, including-
- 18.1 the EDB's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;
  - 18.2 in respect of any self insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

**Box 15: Explanation of insurance cover**

Network Waitaki Limited insures its vehicles and buildings (including substations) and has public liability insurance. It does not insure its network, for example poles and lines, as the premiums to do so would be prohibitive. It does not self-insure.

Company Name	Network Waitaki Limited
For Year Ended	31 March 2014

## **Schedule 14a      Mandatory Explanatory Notes on Forecast Information**

*(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012)*

1. This Schedule provides for EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.5.
2. This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

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

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

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

Network Waitaki Limited has used the following predictions for CPI to adjust constant price forecasts to the nominal dollars expected to apply in each forecast year:

CY+1 no CPI adjustment has been made.

For CY +2 and CY+3, predictions of annual CPI for the year ended 30 September (mid-year) of the year being forecast and have been taken from “Appendix A Summary tables”, of the Reserve Bank of New Zealand Monetary Policy Statement, March 2014.

The Reserve Bank made predictions out to 31 March 2017 and Network Waitaki Limited has carried the Reserve Bank’s prediction for 31 March 2016 out to CY+4, CY+5, CY+6, CY+7, CY+8, CY+9, and CY+10.

For 1 April 2014 to 31 March 2015, i.e. CY+1: N/A  
 For 1 April 2015 to 31 March 2016, i.e. CY+2: 2.0%  
 For 1 April 2016 to 31 March 2017, i.e. CY+3: 2.0%  
 For 1 April 2017 to 31 March 2018, i.e. CY+4: 2.0%  
 For 1 April 2018 to 31 March 2019, i.e. CY+5: 2.0%  
 For 1 April 2019 to 31 March 2020, i.e. CY+6: 2.0%  
 For 1 April 2020 to 31 March 2021, i.e. CY+7: 2.0%  
 For 1 April 2021 to 31 March 2022, i.e. CY+8: 2.0%  
 For 1 April 2022 to 31 March 2023, i.e. CY+9: 2.0%  
 For 1 April 2023 to 31 March 2024, i.e. CY+10: 2.0%

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

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

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

Network Waitaki Limited has used the following predictions for CPI to adjust constant price forecasts to the nominal dollars expected to apply in each forecast year:

CY+1 no CPI adjustment has been made.

For CY +2 and CY+3, predictions of annual CPI for the year ended 30 September (mid-year) of the year being forecast and have been taken from “Appendix A Summary tables”, of the Reserve Bank of New Zealand Monetary Policy Statement, March 2014.

The Reserve Bank made predictions out to 31 March 2017 and Network Waitaki Limited has carried the Reserve Bank’s prediction for 31 March 2016 out to CY+4, CY+5, CY+6, CY+7, CY+8, CY+9, and CY+10.

For 1 April 2014 to 31 March 2015, i.e. CY+1: N/A  
 For 1 April 2015 to 31 March 2016, i.e. CY+2: 2.0%  
 For 1 April 2016 to 31 March 2017, i.e. CY+3: 2.0%  
 For 1 April 2017 to 31 March 2018, i.e. CY+4: 2.0%  
 For 1 April 2018 to 31 March 2019, i.e. CY+5: 2.0%  
 For 1 April 2019 to 31 March 2020, i.e. CY+6: 2.0%  
 For 1 April 2020 to 31 March 2021, i.e. CY+7: 2.0%  
 For 1 April 2021 to 31 March 2022, i.e. CY+8: 2.0%  
 For 1 April 2022 to 31 March 2023, i.e. CY+9: 2.0%  
 For 1 April 2023 to 31 March 2024, i.e. CY+10: 2.0%

Company Name	Network Waitaki Limited
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For Year Ended	31 March 2014
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## Schedule 15 Voluntary Explanatory Notes

*(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012)*

1. This Schedule enable EDBs to provide, should they wish to-
  - 1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, 2.5.2, and 2.6.5;
  - 1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.
2. Information in this Schedule is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.
3. Provide additional explanatory comment in the box below.

**Box 1: Voluntary explanatory comment on disclosed information**

Some of the information reported in Schedule 9a on the Asset Register, Schedule 9b on Asset Age Profiles, Schedule 9c on Overhead Lines and Schedule 9e on transformer capacity has changed from what was reported in previous years. This is as a result of an extensive Information Technology project Network Waitaki Limited conducted this year, where its data on assets was cleansed and made more accurate.

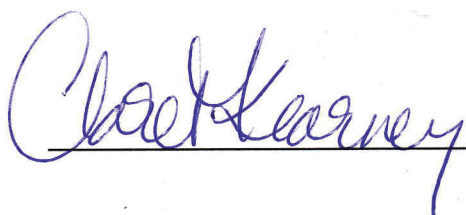
## Schedule 18: Certification for Year-end Disclosures

Clause 2.9.2 of section 2.9

We, Clare Kearney and Christopher Dennison being directors of **Network Waitaki Limited** 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 and 2.3.2; and clauses 2.4.21 and 2.4.22; clauses 2.5.1 and 2.5.2; and clauses 2.7.1 and 2.7.2 of the Electricity Distribution information Disclosure Determination 2012 in all material respects complies with that determination; and
- b) The historical information used in the preparation of “Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, 14a, and 14b has been properly extracted from the **Network Waitaki Limited’s** accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained; and
- c) The forecasts in Schedules 11a, 11b, 12a, 12b and 12c are based on objective and reasonable assumptions which both align with **Network Waitaki Limited’s** corporate vision and strategy and are documented in retained records.

In respect of related party costs and revenues recorded in accordance with clauses 2.3.6(1) (when valued in accordance with clause 2.2.11 (5)(h)(ii) of the Electricity Distribution Services Input Methodologies Determination 2010), 2.3.6(2)(f) and 2.3.7(2)(b), we certify that, having made all reasonable enquiry, including enquiries of our related parties, we are satisfied that to the best of our knowledge and belief the costs and revenues recorded for related party transactions reasonably reflect the price or prices that would have been paid or received had these transactions been at arm’s-length.

  
\_\_\_\_\_  
\_\_\_\_\_

25 August 2014



## ***Independent Auditor's Report***

### ***To the Directors of Network Waitaki Limited and to the Commerce Commission***

The Auditor-General is the auditor of Network Waitaki Limited (the company). The Auditor-General has appointed me, Mark Bramley, using the staff and resources of PricewaterhouseCoopers, to provide an opinion, on her behalf, on whether Schedules 1 to 4, 5a to 5g, 6a and 6b, 7, the SAIDI and SAIFI information disclosed in Schedule 10 and the explanatory notes in boxes 1 to 12 in Schedule 14 ('the Disclosure Information') for the disclosure year ended 31 March 2014, have been prepared, in all material respects, in accordance with the Electricity Distribution Disclosure Information Determination 2012 (the 'Determination').

#### ***Directors' responsibility for the Disclosure Information***

The directors of the company are responsible for preparation of the Disclosure Information in accordance with the Determination, and for such internal control as the directors determine is necessary to enable the preparation of the Disclosure Information that is free from material misstatement.

#### ***Auditor's responsibility for the Disclosure Information***

Our responsibility is to express an opinion on whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination.

#### ***Basis of opinion***

We conducted our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000: Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the External Reporting Board and the Standard on Assurance Engagements 3100: Compliance Engagements issued by the External Reporting Board.

These standards require that we comply with ethical requirements and plan and perform our audit to provide reasonable assurance (which is also referred to as 'audit' assurance) about whether the Disclosure Information has been prepared in all material respects in accordance with the Determination.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the Disclosure Information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Disclosure Information, whether due to fraud or error or non-compliance with the Determination. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the Disclosure Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

An audit also involves evaluating:

- The appropriateness of assumptions used and whether they have been consistently applied; and
- The reasonableness of the significant judgements made by the directors of the company.



### ***Use of this report***

This independent auditor's report has been prepared for the directors of the company and for the Commerce Commission for the purpose of providing those parties with independent audit assurance about whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the company or the Commerce Commission, or for any other purpose than that for which it was prepared.

### ***Scope and inherent limitations***

Because of the inherent limitations of an audit engagement, and the test basis of the procedures performed, it is possible that fraud, error or non-compliance may occur and not be detected.

We did not examine every transaction, adjustment or event underlying the Disclosure Information nor do we guarantee complete accuracy of the Disclosure Information. Also we did not evaluate the security and controls over the electronic publication of the Disclosure Information.

The opinion expressed in this independent auditor's report has been formed on the above basis.

### ***Independence***

When carrying out the engagement we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. We also complied with the independent auditor requirements specified in the Determination.

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

### ***Basis for Qualified Opinion on Schedules 10(i) to 10(iv)***

As described in Box 14 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 is limited throughout the year.

There are no practical audit procedures that we could adopt to confirm independently 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 the limitations described above, we are unable to form an opinion as to the completeness and accuracy of the data that forms the basis of the compilation of Schedules 10(i) to 10(iv).

In these respects alone we have not obtained all the information and explanations that we have required.



***Qualified Opinion***

In our opinion, except for the matters described in the Basis for Qualified Opinion paragraph above:

- As far as appears from an examination of them, proper records to enable the complete and accurate compilation of the Disclosure Information have been kept by the Company;
- The information used in the preparation of the Disclosure Information has been properly extracted from the Company's accounting and other records and has been sourced, where appropriate, from the Company's financial and non-financial systems; and
- The Company has complied with the Determination, in all material respects, in preparing the Disclosure Information.

A handwritten signature in blue ink that reads 'Mark Bramley'.

Mark Bramley  
PricewaterhouseCoopers  
On behalf of the Auditor-General  
Dunedin, New Zealand  
29 August 2014