

Company Name Network Waitaki Limited

For Year Ended 31 March 2019

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

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

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

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

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

Network Waitaki Limited has consistent with previous years used predictions for CPI as extracted from the Reserve Bank of New Zealand Monetary Policy Statement.

For CY+1 no CPI adjustment has been made. From CY+2 to CY+10 a CPI forecast of 2.0 was used as projected for 2020.

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

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

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

Network Waitaki Limited has consistent with previous years used predictions for CPI as extracted from the Reserve Bank of New Zealand Monetary Policy Statement.

For CY+1 no CPI adjustment has been made. From CY+2 to CY+10 a CPI forecast of 2.0 was used as projected for 2020.