



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

Company Name	Network Waitaki Limited
Disclosure Date	31 August 2017
Disclosure Year (year ended)	31 March 2017

Templates for Schedules 1–10 excluding 5f–5g
Template Version 4.1. Prepared 24 March 2015

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Disclosure Template Instructions

These templates have been prepared for use by EDBs when making disclosures under clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, and 2.5.2 of the Electricity Distribution Information Disclosure Determination 2012.

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.

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 2 cells G79 and I79:L79 will change colour if the total cashflows do not equal the corresponding values in table 2(ii).

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

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 G30 will change colour if G30 (overhead circuit length by terrain) does not equal G18 (overhead circuit length by operating voltage).

Inserting Additional Rows and Columns

The templates for schedules 4, 5b, 5c, 5d, 5e, 6a, 8, 9d, and 9e may require additional rows to be inserted in tables marked 'include additional rows if needed' or similar. Column A schedule references should not be entered in additional rows, and should be deleted from additional rows that are created by copying and pasting rows that have schedule references.

Additional rows in schedules 5c, 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 77 and 78 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 69:77, copy, select Excel row 78, insert copied cells. Similarly, for table 5e(ii): Select Excel rows 70:78, 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 24 March 2015). They provide a common reference between the rows in the determination and the template.

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

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017

SCHEDULE 1: ANALYTICAL RATIOS

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

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

sch ref

7	1(i): Expenditure metrics					
8		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)
9	Operational expenditure	21,784	395	95,938	2,674	24,275
10	Network	9,475	172	41,729	1,163	10,559
11	Non-network	12,309	223	54,209	1,511	13,716
12						
13	Expenditure on assets	41,075	745	180,902	5,041	45,773
14	Network	37,794	686	166,449	4,639	42,116
15	Non-network	3,282	60	14,453	403	3,657
16						
17	1(ii): Revenue metrics					
18		Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)			
19	Total consumer line charge revenue	70,958	1,288			
20	Standard consumer line charge revenue	81,540	1,097			
21	Non-standard consumer line charge revenue	41,431	28,333			
22						
23	1(iii): Service intensity measures					
24						
25	Demand density	28	Maximum coincident system demand per km of circuit length (for supply) (kW/km)			
26	Volume density	123	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)			
27	Connection point density	7	Average number of ICPs per km of circuit length (for supply) (ICPs/km)			
28	Energy intensity	18,149	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)			
29						
30	1(iv): Composition of regulatory income					
31				(\$000)	% of revenue	
32	Operational expenditure			5,025	30.67%	
33	Pass-through and recoverable costs excluding financial incentives and wash-ups			4,886	29.82%	
34	Total depreciation			3,709	22.64%	
35	Total revaluations			1,762	10.75%	
36	Regulatory tax allowance			596	3.64%	
37	Regulatory profit/(loss) including financial incentives and wash-ups			3,929	23.98%	
38	Total regulatory income			16,383		
39						
40	1(v): Reliability					
41						
42	Interruption rate			25.27	Interruptions per 100 circuit km	

Company Name
For Year Ended

Network Waitaki Limited
31 March 2017

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(i): Return on Investment		CY-2	CY-1	Current Year CY
		31 Mar 15	31 Mar 16	31 Mar 17
		%	%	%
ROI – comparable to a post tax WACC				
	Reflecting all revenue earned	3.55%	4.76%	4.29%
	Excluding revenue earned from financial incentives	3.55%	4.76%	4.29%
	Excluding revenue earned from financial incentives and wash-ups	3.55%	4.76%	4.29%
Mid-point estimate of post tax WACC				
	25th percentile estimate	5.39%	4.66%	4.05%
	75th percentile estimate	6.82%	6.09%	5.48%
ROI – comparable to a vanilla WACC				
	Reflecting all revenue earned	4.33%	5.41%	4.83%
	Excluding revenue earned from financial incentives	4.33%	5.41%	4.83%
	Excluding revenue earned from financial incentives and wash-ups	4.33%	5.41%	4.83%
WACC rate used to set regulatory price path		n/a	n/a	n/a
Mid-point estimate of vanilla WACC				
	25th percentile estimate	6.17%	5.30%	4.59%
	75th percentile estimate	7.60%	6.74%	6.03%
2(ii): Information Supporting the ROI		(\$000)		
	Total opening RAB value	81,660		
	plus Opening deferred tax	(2,269)		
	Opening RIV		79,391	
	Line charge revenue		16,368	
	Expenses cash outflow	9,911		
	add Assets commissioned	7,347		
	less Asset disposals	181		
	add Tax payments	99		
	less Other regulated income	15		
	Mid-year net cash outflows		17,161	
	Term credit spread differential allowance		–	
	Total closing RAB value	86,879		
	less Adjustment resulting from asset allocation	0		
	less Lost and found assets adjustment	–		
	plus Closing deferred tax	(2,766)		
	Closing RIV		84,113	
	ROI – comparable to a vanilla WACC			4.83%
	Leverage (%)			44%
	Cost of debt assumption (%)			4.41%
	Corporate tax rate (%)			28%
	ROI – comparable to a post tax WACC			4.29%

Company Name
For Year Ended

Network Waitaki Limited
31 March 2017

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).
EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).
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sch ref

61	2(iii): Information Supporting the Monthly ROI						
62							
63	Opening RIV						N/A
64							
65							
66		Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
67	April						–
68	May						–
69	June						–
70	July						–
71	August						–
72	September						–
73	October						–
74	November						–
75	December						–
76	January						–
77	February						–
78	March						–
79	Total	–	–	–	–	–	–
80							
81	Tax payments						N/A
82							
83	Term credit spread differential allowance						N/A
84							
85	Closing RIV						N/A
86							
87							
88	Monthly ROI – comparable to a vanilla WACC						N/A
89							
90	Monthly ROI – comparable to a post tax WACC						N/A
91							
92	2(iv): Year-End ROI Rates for Comparison Purposes						
93							
94	Year-end ROI – comparable to a vanilla WACC						4.73%
95							
96	Year-end ROI – comparable to a post tax WACC						4.19%
97							
98	* 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.						
99							
100	2(v): Financial Incentives and Wash-Ups						
101							
102	Net recoverable costs allowed under incremental rolling incentive scheme					–	
103	Purchased assets – avoided transmission charge				N/A		
104	Energy efficiency and demand incentive allowance				N/A		
105	Quality incentive adjustment				N/A		
106	Other financial incentives				N/A		
107	Financial incentives						–
108							
109	Impact of financial incentives on ROI						–
110							
111	Input methodology claw-back				N/A		
112	Recoverable customised price-quality path costs				N/A		
113	Catastrophic event allowance				N/A		
114	Capex wash-up adjustment				N/A		
115	Transmission asset wash-up adjustment				N/A		
116	2013–2015 NPV wash-up allowance				N/A		
117	Reconsideration event allowance				N/A		

Company Name

For Year Ended

Network Waitaki Limited

31 March 2017

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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

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

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sch ref

118

Other wash-ups

N/A

119

Wash-up costs

-

120

121

Impact of wash-up costs on ROI

-

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S2.Return on Investment

		Company Name	Network Waitaki Limited
		For Year Ended	31 March 2017
SCHEDULE 3: REPORT ON REGULATORY PROFIT			
This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).			
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.			
sch ref			
7	3(i): Regulatory Profit		(\$000)
8	Income		
9		Line charge revenue	16,368
10	plus	Gains / (losses) on asset disposals	15
11	plus	Other regulated income (other than gains / (losses) on asset disposals)	
12			
13	Total regulatory income		16,383
14	Expenses		
15	less	Operational expenditure	5,025
16			
17	less	Pass-through and recoverable costs excluding financial incentives and wash-ups	4,886
18			
19	Operating surplus / (deficit)		6,473
20			
21	less	Total depreciation	3,709
22			
23	plus	Total revaluations	1,762
24			
25	Regulatory profit / (loss) before tax		4,525
26			
27	less	Term credit spread differential allowance	–
28			
29	less	Regulatory tax allowance	596
30			
31	Regulatory profit/(loss) including financial incentives and wash-ups		3,929
32			
33	3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups		(\$000)
34	Pass through costs		
35		Rates	99
36		Commerce Act levies	27
37		Industry levies	52
38		CPP specified pass through costs	N/A
39	Recoverable costs excluding financial incentives and wash-ups		
40		Electricity lines service charge payable to Transpower	4,221
41		Transpower new investment contract charges	487
42		System operator services	N/A
43		Distributed generation allowance	N/A
44		Extended reserves allowance	N/A
45		Other recoverable costs excluding financial incentives and wash-ups	N/A
46	Pass-through and recoverable costs excluding financial incentives and wash-ups		4,886
47			

		Company Name	Network Waitaki Limited	
		For Year Ended	31 March 2017	

SCHEDULE 3: REPORT ON REGULATORY PROFIT

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

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

sch ref

48

3(iii): Incremental Rolling Incentive Scheme

(\$000)

CY-1

31 Mar 16

CY

31 Mar 17

51

Allowed controllable opex

N/A

N/A

52

Actual controllable opex

N/A

N/A

54

Incremental change in year

N/A

56

Previous years' incremental change

Previous years' incremental change adjusted for inflation

57

CY-5

31 Mar 12

N/A

N/A

58

CY-4

31 Mar 13

N/A

N/A

59

CY-3

31 Mar 14

N/A

N/A

60

CY-2

31 Mar 15

N/A

N/A

61

CY-1

31 Mar 16

N/A

N/A

62

Net incremental rolling incentive scheme

-

64

Net recoverable costs allowed under incremental rolling incentive scheme

-

65

3(iv): Merger and Acquisition Expenditure

(\$000)

66

Merger and acquisition expenditure

N/A

68

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)

69

3(v): Other Disclosures

(\$000)

71

Self-insurance allowance

N/A

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S3.Regulatory Profit

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

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

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

sch ref

4(i): Regulatory Asset Base Value (Rolled Forward)		for year ended				
		RAB 31 Mar 13 (\$000)	RAB 31 Mar 14 (\$000)	RAB 31 Mar 15 (\$000)	RAB 31 Mar 16 (\$000)	RAB 31 Mar 17 (\$000)
Total opening RAB value		72,135	73,883	75,102	74,256	81,660
less Total depreciation		3,050	3,202	3,295	3,459	3,709
plus Total revaluations		620	1,128	63	434	1,762
plus Assets commissioned		4,149	3,322	2,628	10,575	7,347
less Asset disposals			226	199	146	181
plus Lost and found assets adjustment				(43)		–
plus Adjustment resulting from asset allocation		29	197			0
Total closing RAB value		73,883	75,102	74,256	81,660	86,879

4(ii): Unallocated Regulatory Asset Base		Unallocated RAB *		RAB	
		(\$000)	(\$000)	(\$000)	(\$000)
Total opening RAB value			82,043		81,660
less Total depreciation			3,820		3,709
plus Total revaluations			1,770		1,762
plus Assets commissioned (other than below)		7,217		7,028	
Assets acquired from a regulated supplier					
Assets acquired from a related party		319		319	
Assets commissioned			7,536		7,347
less Asset disposals (other than below)		181		181	
Asset disposals to a regulated supplier					
Asset disposals to a related party					
Asset disposals			181		181
plus Lost and found assets adjustment					–
plus Adjustment resulting from asset allocation					0
Total closing RAB value			87,348		86,879

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

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

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2. EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

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

54	CPI ₄	1,226
55	CPI ₄ ⁻⁴	1,200
56	Revaluation rate (%)	2.17%

Unallocated RAB *		RAB	
(\$000)	(\$000)	(\$000)	(\$000)
82,043		81,660	
345		345	
81,698		81,315	
	1,770		1,762

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

Unallocated works under construction		Allocated works under construction	
	913		894
7,629		7,440	
7,536		7,347	
	1,006		987

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76 4(v): Regulatory Depreciation

Unallocated RAB *		RAB	
(\$000)	(\$000)	(\$000)	(\$000)
3,134		3,134	
686		575	
	3,820		3,709

85 4(vi): Disclosure of Changes to Depreciation Profiles

(\$000 unless otherwise specified)

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

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

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31 March 2017

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.

(\$000)

4,525

*

101

1,132

381

1,614

1,762

*

741

*

1,508

4,010

2,129

2,129

28%

596

(\$000)

29,419

1,132

28,288

26

31 March 2017

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(iv): Amortisation of Revaluations			(\$000)
		Opening sum of RAB values without revaluations	80,897	
		Adjusted depreciation	3,328	
		Total depreciation	3,709	
		Amortisation of revaluations		381
	5a(v): Reconciliation of Tax Losses			(\$000)
		Opening tax losses	-	
	plus	Current period tax losses		
	less	Utilised tax losses		
		Closing tax losses		-
	5a(vi): Calculation of Deferred Tax Balance			(\$000)
		Opening deferred tax	(2,269)	
	plus	Tax effect of adjusted depreciation	932	
	less	Tax effect of tax depreciation	1,453	
	plus	Tax effect of other temporary differences*	313	
	less	Tax effect of amortisation of initial differences in asset values	317	
	plus	Deferred tax balance relating to assets acquired in the disclosure year		
	less	Deferred tax balance relating to assets disposed in the disclosure year	(29)	
	plus	Deferred tax cost allocation adjustment	(0)	
		Closing deferred tax		(2,766)
	5a(vii): Disclosure of Temporary Differences			
	<i>In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).</i>			
	5a(viii): Regulatory Tax Asset Base Roll-Forward			(\$000)
		Opening sum of regulatory tax asset values	44,203	
	less	Tax depreciation	5,191	
	plus	Regulatory tax asset value of assets commissioned	10,890	
	less	Regulatory tax asset value of asset disposals	79	
	plus	Lost and found assets adjustment		
	plus	Adjustment resulting from asset allocation		
	plus	Other adjustments to the RAB tax value		
		Closing sum of regulatory tax asset values		49,823

Company Name

Network Waitaki Limited

For Year Ended

31 March 2017

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

7	5b(i): Summary—Related Party Transactions	(\$000)
8	Total regulatory income	–
9	Operational expenditure	212
10	Capital expenditure	319
11	Market value of asset disposals	
12	Other related party transactions	

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

14	Name of related party	Related party relationship
15	Whitestone Contracting Limited	Shared Director
16		
17		
18		
19		

* include additional rows if needed

5b(iii): Related Party Transactions

22	Name of related party	Related party transaction type	Description of transaction	Value of transaction (\$000)	Basis for determining value
23	Whitestone Contracting Limited	Opex	Maintenance of Assets	212	ID clause 2.3.6(1)(c)(i)
24	Whitestone Contracting Limited	Capex	System Growth	187	IM clause 2.2.11(5)(h)
25	Whitestone Contracting Limited	Capex	Quality of Supply	18	IM clause 2.2.11(5)(h)
26	Whitestone Contracting Limited	Capex	Legislative and Regulatory	3	IM clause 2.2.11(5)(h)
27	Whitestone Contracting Limited	Capex	Replacement and Renewal	67	IM clause 2.2.11(5)(h)
28	Whitestone Contracting Limited	Capex	Consumer Connection	44	IM clause 2.2.11(5)(h)
29		[Select one]			[Select one]
30		[Select one]			[Select one]
31		[Select one]			[Select one]
32		[Select one]			[Select one]
33		[Select one]			[Select one]
34		[Select one]			[Select one]
35		[Select one]			[Select one]
36		[Select one]			[Select one]
37		[Select one]			[Select one]

* include additional rows if needed

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017

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

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8	5c(i): Qualifying Debt (may be Commission only)
9	
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18	5c(ii): Attribution of Term Credit Spread Differential
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27	

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
No debt greater than 5 years									
* include additional rows if needed						-	-	-	-

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	Network Waitaki Limited
For Year Ended	31 March 2017

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

7	5d(i): Operating Cost Allocations				
8					
9					
10	Service interruptions and emergencies				
11	Directly attributable		398		
12	Not directly attributable			-	
13	Total attributable to regulated service		398		
14	Vegetation management				
15	Directly attributable		498		
16	Not directly attributable			-	
17	Total attributable to regulated service		498		
18	Routine and corrective maintenance and inspection				
19	Directly attributable		787		
20	Not directly attributable			-	
21	Total attributable to regulated service		787		
22	Asset replacement and renewal				
23	Directly attributable		503		
24	Not directly attributable			-	
25	Total attributable to regulated service		503		
26	System operations and network support				
27	Directly attributable		1,393		
28	Not directly attributable			-	
29	Total attributable to regulated service		1,393		
30	Business support				
31	Directly attributable				
32	Not directly attributable		1,447	362	1,808
33	Total attributable to regulated service		1,447		
34					
35	Operating costs directly attributable		3,578		
36	Operating costs not directly attributable	-	1,447	362	1,808
37	Operational expenditure		5,025		
38					

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

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

sch ref

39

5d(ii): Other Cost Allocations

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Pass through and recoverable costs

(\$000)

Pass through costs

Directly attributable

178

Not directly attributable

Total attributable to regulated service

178

Recoverable costs

Directly attributable

4,708

Not directly attributable

Total attributable to regulated service

4,708

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

(\$000)

Change in cost allocation 1

Cost category

N/A

Original allocation

New allocation

Difference

–

–

Rationale for change

(\$000)

Change in cost allocation 2

Cost category

N/A

Original allocation

New allocation

Difference

–

–

Rationale for change

(\$000)

Change in cost allocation 3

Cost category

N/A

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 2017

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

7	5e(i): Regulated Service Asset Values			
8			Value allocated (\$000s)	
9			Electricity distribution services	
10	Subtransmission lines			
11	Directly attributable		9,859	
12	Not directly attributable			
13	Total attributable to regulated service		9,859	
14	Subtransmission cables			
15	Directly attributable		1,423	
16	Not directly attributable			
17	Total attributable to regulated service		1,423	
18	Zone substations			
19	Directly attributable		14,535	
20	Not directly attributable			
21	Total attributable to regulated service		14,535	
22	Distribution and LV lines			
23	Directly attributable		25,985	
24	Not directly attributable			
25	Total attributable to regulated service		25,985	
26	Distribution and LV cables			
27	Directly attributable		7,535	
28	Not directly attributable			
29	Total attributable to regulated service		7,535	
30	Distribution substations and transformers			
31	Directly attributable		16,137	
32	Not directly attributable			
33	Total attributable to regulated service		16,137	
34	Distribution switchgear			
35	Directly attributable		7,189	
36	Not directly attributable			
37	Total attributable to regulated service		7,189	
38	Other network assets			
39	Directly attributable		1,463	
40	Not directly attributable			
41	Total attributable to regulated service		1,463	
42	Non-network assets			
43	Directly attributable		877	
44	Not directly attributable		1,876	
45	Total attributable to regulated service		2,753	
46				
47	Regulated service asset value directly attributable		85,003	
48	Regulated service asset value not directly attributable		1,876	
49	Total closing RAB value		86,879	
50				
51	5e(ii): Changes in Asset Allocations* †			
52				(\$000)
53	Change in asset value allocation 1		CY-1	Current Year (CY)
54	Asset category		Original allocation	
55	Original allocator or line items		New allocation	
56	New allocator or line items		Difference	–
57				
58	Rationale for change			
59				
60				
61				(\$000)
62	Change in asset value allocation 2		CY-1	Current Year (CY)
63	Asset category		Original allocation	
64	Original allocator or line items		New allocation	
65	New allocator or line items		Difference	–
66				
67	Rationale for change			
68				
69				
70				(\$000)
71	Change in asset value allocation 3		CY-1	Current Year (CY)
72	Asset category		Original allocation	
73	Original allocator or line items		New allocation	
74	New allocator or line items		Difference	–
75				
76	Rationale for change			
77				
78				
79	* 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.			
80	† include additional rows if needed			

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017

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

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs. EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

7	6a(i): Expenditure on Assets		(\$000)	(\$000)
8	Consumer connection			1,202
9	System growth			5,099
10	Asset replacement and renewal			1,832
11	Asset relocations			–
12	Reliability, safety and environment:			
13	Quality of supply	475		
14	Legislative and regulatory	77		
15	Other reliability, safety and environment	33		
16	Total reliability, safety and environment			585
17	Expenditure on network assets			8,718
18	Expenditure on non-network assets			757
19				
20	Expenditure on assets			9,475
21	plus Cost of financing			
22	less Value of capital contributions			2,035
23	plus Value of vested assets			
24				
25	Capital expenditure			7,440
26	6a(ii): Subcomponents of Expenditure on Assets (where known)			(\$000)
27	Energy efficiency and demand side management, reduction of energy losses			
28	Overhead to underground conversion			
29	Research and development			
30	6a(iii): Consumer Connection			
31	Consumer types defined by EDB*		(\$000)	(\$000)
32	Independent Contract Customers - Large Commercial and Industrial		0	
33	Small Consumers - residential and commercial to 15kVA		916	
34	Medium Consumers - residential and commercial 16kVA to 50kVA		143	
35	Large Consumers - commercial and industrial 51kVA and above		143	
36				
37	* include additional rows if needed			
38	Consumer connection expenditure			1,202
39				
40	less Capital contributions funding consumer connection expenditure	282		
41	Consumer connection less capital contributions			920
42	6a(iv): System Growth and Asset Replacement and Renewal			
43				
44				
45	Subtransmission	2,837	97	
46	Zone substations	973	38	
47	Distribution and LV lines	1,251	1,086	
48	Distribution and LV cables	–	136	
49	Distribution substations and transformers	37	476	
50	Distribution switchgear	–	1	
51	Other network assets	–	–	
52	System growth and asset replacement and renewal expenditure	5,099	1,832	
53	less Capital contributions funding system growth and asset replacement and renewal	1,194	429	
54	System growth and asset replacement and renewal less capital contributions	3,905	1,403	
55				
56	6a(v): Asset Relocations			
57	Project or programme*		(\$000)	(\$000)
58		–		
59		–		
60		–		
61				
62				
63	* include additional rows if needed			
64	All other projects or programmes - asset relocations			
65	Asset relocations expenditure			–
66	less Capital contributions funding asset relocations	0		
67	Asset relocations less capital contributions			–

Company Name
For Year Ended

Network Waitaki Limited
31 March 2017

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

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6a(vi): Quality of Supply

Project or programme*

F16 Fibre Comms for Hampden Zone Sub
F17 Retrofit RPS Arc Flash Covers
F17 Replace Feeder CB protect Cabinets
F16 Linak RMU remote actuators
F17 Rural switchgear/protection
F17 New Reclosers/Sectionalisers/TSW
F16 Replace R650 and R654
F17 UG ducting HV LV Fibre (General)
F17 Ferry Rd Fdr Upgrade Conductor
F17 Zone Tx Differential Protection
F17 Arc Flash Protection Zone Subs
F17 PV trial
F17 Fibre Optic cable Waitaki-Kurow
F17 Ohau Feeder rebuild (subject to SFE)
F18 Replace 1x Rural 2 pole Tx Structure
F18 Install new ABS's
F17 Line Diff Protection Weston-Chelmer
F17 Birchwood Repeater
F17 Ohau Incomer and Bypass

* include additional rows if needed

All other projects programmes - quality of supply

Quality of supply expenditure

less Capital contributions funding quality of supply

Quality of supply less capital contributions

(\$000) (\$000)

1	
2	
32	
(12)	
23	
51	
74	
26	
(65)	
30	
41	
29	
2	
74	
18	
17	
58	
31	
43	
	475
112	
	363

6a(vii): Legislative and Regulatory

Project or programme*

Distribution Box replacement

* include additional rows if needed

All other projects or programmes - legislative and regulatory

Legislative and regulatory expenditure

less Capital contributions funding legislative and regulatory

Legislative and regulatory less capital contributions

(\$000) (\$000)

77	
	77
18	
	59

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

Project or programme*

Easement

* include additional rows if needed

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

Other reliability, safety and environment expenditure

less Capital contributions funding other reliability, safety and environment

Other reliability, safety and environment less capital contributions

(\$000) (\$000)

33	
	33
-	
	33

6a(ix): Non-Network Assets

Routine expenditure

Project or programme*

Buildings and Fitout
Computer Hardware
Computer Software
Generation
Office Equipment
Plant and Equipment
Vehicles

* include additional rows if needed

All other projects or programmes - routine expenditure

Routine expenditure

(\$000) (\$000)

-	
47	
90	
125	
8	
67	
420	
	757

Company Name

Network Waitaki Limited

For Year Ended

31 March 2017

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

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Atypical expenditure

Project or programme*

* include additional rows if needed

All other projects or programmes - atypical expenditure

Atypical expenditure

Expenditure on non-network assets

EDB-ID-determination-templates-for-schedules-1-to-10_Network Waitaki_2017_final_210817

23

S6a.Actual Expenditure Capex

Company Name

Network Waitaki Limited

For Year Ended

31 March 2017

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

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

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

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

sch ref

		(\$000)	(\$000)
7	6b(i): Operational Expenditure		
8	Service interruptions and emergencies	398	
9	Vegetation management	498	
10	Routine and corrective maintenance and inspection	787	
11	Asset replacement and renewal	503	
12	Network opex		2,186
13	System operations and network support	1,393	
14	Business support	1,447	
15	Non-network opex		2,839
16			
17	Operational expenditure		5,025
18	6b(ii): Subcomponents of Operational Expenditure (where known)		
19	Energy efficiency and demand side management, reduction of energy losses		—
20	Direct billing*		—
21	Research and development		—
22	Insurance		84
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		

Company Name

Network Waitaki Limited

For Year Ended

31 March 2017

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(i): Revenue

Target (\$000) ¹	Actual (\$000)	% variance
-----------------------------	----------------	------------

Line charge revenue

17,814	16,368	(8%)
--------	--------	------

7(ii): Expenditure on Assets

Forecast (\$000) ²	Actual (\$000)	% variance
-------------------------------	----------------	------------

Consumer connection

505	1,202	138%
-----	-------	------

System growth

5,520	5,099	(8%)
-------	-------	------

Asset replacement and renewal

1,159	1,832	58%
-------	-------	-----

Asset relocations

–	–	–
---	---	---

Reliability, safety and environment:

Quality of supply

1,409	475	(66%)
-------	-----	-------

Legislative and regulatory

50	77	54%
----	----	-----

Other reliability, safety and environment

–	33	–
---	----	---

Total reliability, safety and environment

1,459	585	(60%)
-------	-----	-------

Expenditure on network assets

8,643	8,718	1%
-------	-------	----

Expenditure on non-network assets

1,686	757	(55%)
-------	-----	-------

Expenditure on assets

10,329	9,475	(8%)
--------	-------	------

7(iii): Operational Expenditure

Service interruptions and emergencies

273	398	46%
-----	-----	-----

Vegetation management

300	498	66%
-----	-----	-----

Routine and corrective maintenance and inspection

582	787	35%
-----	-----	-----

Asset replacement and renewal

770	503	(35%)
-----	-----	-------

Network opex

1,925	2,186	14%
-------	-------	-----

System operations and network support

1,935	1,393	(28%)
-------	-------	-------

Business support

935	1,447	55%
-----	-------	-----

Non-network opex

2,870	2,839	(1%)
-------	-------	------

Operational expenditure

4,795	5,025	5%
-------	-------	----

7(iv): Subcomponents of Expenditure on Assets (where known)

Energy efficiency and demand side management, reduction of energy losses

n/a	–	–
-----	---	---

Overhead to underground conversion

n/a	–	–
-----	---	---

Research and development

n/a	–	–
-----	---	---

7(v): Subcomponents of Operational Expenditure (where known)

Energy efficiency and demand side management, reduction of energy losses

n/a	–	–
-----	---	---

Direct billing

n/a	–	–
-----	---	---

Research and development

n/a	–	–
-----	---	---

Insurance

84	84	–
----	----	---

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

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

<i>Company Name</i>	Network Waitaki Limited
<i>For Year Ended</i>	31 March 2017

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

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Company Name
For Year Ended
Network / Sub-Network Name

Network Waitaki Limited
31 March 2017

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)
DLU15C	Residential and Commercial	Standard	3,631	20,462
DLU15U	Residential and Commercial	Standard	538	2,229
15C	Residential and Commercial	Standard	4,932	42,379
15U	Residential and Commercial	Standard	1,550	7,252
30C	Residential and Commercial	Standard	216	2,671
30U	Residential and Commercial	Standard	458	4,354
50C	Residential and Commercial	Standard	154	4,846
50U	Residential and Commercial	Standard	620	17,447
100	Commercial and Industrial	Standard	329	28,095
200	Commercial and Industrial	Standard	114	15,816
300	Commercial and Industrial	Standard	48	8,868
500	Commercial and Industrial	Standard	23	11,770
750	Commercial and Industrial	Standard	8	3,625
IND	Large Commercial and Industrial	Non-standard	89	60,863
Add extra rows for additional consumer groups or price category codes as necessary				
Standard consumer totals			12,621	169,812
Non-standard consumer totals			89	60,863
Total for all consumers			12,710	230,675

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

Price component

Billed quantities by price component									
Distribution Fixed	Distribution Variable Day	Distribution Variable Night	Transmission Fixed	Transmission Variable Day	Transmission Variable Night	IND Distribution	IND Transmission	IND Distribution	IND Transmission
ICP	MWh	MWh	ICP	MWh	MWh	MVA	MVA	Anytime MW	Anytime MW
3,631	15,146	5,316	3,631	15,146	5,316				
537	1,826	403	537	1,826	403				
4,932	29,627	12,752	4,932	29,627	12,752				
1,549	5,707	1,545	1,549	5,707	1,545				
216	1,968	703	216	1,968	703				
458	3,375	979	458	3,375	979				
154	3,548	1,298	154	3,548	1,298				
619	12,655	4,792	619	12,655	4,792				
329	19,848	8,247	329	19,848	8,247				
114	11,496	4,320	114	11,496	4,320				
48	6,644	2,224	48	6,644	2,224				
23	7,721	4,049	23	7,721	4,049				
7	2,190	1,435	7	2,190	1,435				
						29	29	14	14
12,617	121,750	48,062	12,617	121,750	48,062	29	29	14	14
-	-		-	-	-			-	-
12,617	121,750	48,062	12,617	121,750	48,062	29	29	14	14

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

Company Name
For Year Ended
Network / Sub-Network Name

Network Waitaki Limited
31 March 2017

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.

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

Line charge revenues (\$000) by price component

Price component		Distribution Fixed after discount	Distribution Variable Day	Distribution Variable Night	Transmission Fixed	Transmission Variable Day	Transmission Variable Night	IND Distribution	IND Transmission	IND Distribution	IND Transmission	IND Distribution Fixed	IND Transmission Fixed						
Consumer group name or price category code	Consumer type or types (eg. residential, commercial etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)	Total distribution line charge revenue	Total transmission line charge revenue (if available)	Rate (eg. \$ per day, \$ per kWh, etc.)	ICP	MWh	MWh	ICP	MWh	MWh	kVA	kVA	kW	kW		
DLU15C	Residential and Commercial	Standard	\$1,698		\$1,134	\$564		(94)	1,185	43	72	475	17						
DLU15U	Residential and Commercial	Standard	\$203		\$134	\$69		(13)	143	3	11	57	1						
15C	Residential and Commercial	Standard	\$4,089		\$2,802	\$1,287		185	2,506	111	150	1,089	48						
15U	Residential and Commercial	Standard	\$921		\$582	\$339		82	487	14	122	211	6						
30C	Residential and Commercial	Standard	\$284		\$184	\$99		5	173	6	22	75	3						
30U	Residential and Commercial	Standard	\$488		\$298	\$190		17	273	8	68	119	4						
50C	Residential and Commercial	Standard	\$468		\$315	\$153		5	298	11	18	130	5						
50U	Residential and Commercial	Standard	\$1,648		\$1,084	\$564		25	1,019	40	104	443	17						
100	Commercial and Industrial	Standard	\$1,516		\$1,011	\$504		14	956	41	71	415	18						
200	Commercial and Industrial	Standard	\$856		\$570	\$286		6	543	21	41	236	9						
300	Commercial and Industrial	Standard	\$613		\$413	\$200		4	395	14	22	172	6						
500	Commercial and Industrial	Standard	\$826		\$565	\$260		2	534	29	16	232	13						
750	Commercial and Industrial	Standard	\$237		\$160	\$77		(0)	150	10	8	65	4						
IND	Large Commercial and Industrial	Non-standard	\$2,522		\$1,041	\$1,481								511	750.26	430	348	99	382
			-																
			-																
			-																
Add extra rows for additional consumer groups or price category codes as necessary																			
Standard consumer totals			\$13,847	-	\$9,251	\$4,595		\$239	\$8,661	\$351	\$725	\$3,719	\$151	-	-	-	-	-	-
Non-standard consumer totals			\$2,522	-	\$1,041	\$1,481		-	-	-	-	-	-	\$511	\$750	\$430	\$348	\$99	\$382
Total for all consumers			\$16,368	-	\$10,292	\$6,076		\$239	\$8,661	\$351	\$725	\$3,719	\$151	\$511	\$750	\$430	\$348	\$99	\$382

8(iii): Number of ICPs directly billed

Number of directly billed ICPs at year end

9

Zone substations

st st st st

assets

Check

OK

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017
Network / Sub-network Name	Network Waitaki

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

						Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1-4)
	Voltage	Asset category	Asset class	Units					
8				No.		8,699	9,015	316	3
9	All	Overhead Line	Concrete poles / steel structure	No.		13,090	13,410	320	3
10	All	Overhead Line	Wood poles	No.		154	157	3	3
11	All	Overhead Line	Other pole types	No.		207	218	11	2
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km		–	–	–	N/A
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km		4	4	0	2
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km		–	–	–	N/A
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km		–	–	–	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km		–	–	–	N/A
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km		–	–	–	2
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km		–	–	–	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km		–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km		–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km		–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km		–	–	–	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.		17	18	1	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.		1	1	–	4
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.		–	–	–	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.		1	1	–	4
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.		–	–	–	N/A
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.		84	87	3	3
29	HV	Zone substation switchgear	33kV RMU	No.		–	–	–	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.		11	11	–	3
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.		37	40	3	3
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.		65	69	4	3
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.		3	3	–	3
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.		22	22	–	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km		1,229	1,264	36	2
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km		–	–	–	N/A
37	HV	Distribution Line	SWER conductor	km		–	–	–	N/A
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km		65	69	4	2
39	HV	Distribution Cable	Distribution UG PILC	km		2	2	–	2
40	HV	Distribution Cable	Distribution Submarine Cable	km		–	–	–	N/A
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.		59	66	7	3
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.		–	–	–	N/A
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.		3,422	3,567	145	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.		–	–	–	N/A
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.		170	171	1	3
46	HV	Distribution Transformer	Pole Mounted Transformer	No.		2,273	2,338	65	2
47	HV	Distribution Transformer	Ground Mounted Transformer	No.		460	485	25	2
48	HV	Distribution Transformer	Voltage regulators	No.		14	14	–	3
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.		–	–	–	N/A
50	LV	LV Line	LV OH Conductor	km		231	231	0	2
51	LV	LV Cable	LV UG Cable	km		87	90	3	2
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km		87	87	–	2
53	LV	Connections	OH/UG consumer service connections	No.		12,749	12,917	168	3
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.		123	128	5	2
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot		1	1	–	4
56	All	Capacitor Banks	Capacitors including controls	No		2	2	–	4
57	All	Load Control	Centralised plant	Lot		3	3	–	4
58	All	Load Control	Relays	No		9,669	9,669	–	3
59	All	Civils	Cable Tunnels	km		–	–	–	N/A

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

Disclosure Year (year ended)				31 March 2017	Number of assets at disclosure year end by installation date																																No. with age unknown	Items at end of year (quantity)	No. with default dates	Data accuracy (1–4)
	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	2015	2016	2017											
9	All	Overhead Line	Concrete poles / steel structure	No.	2	8	201	1,106	808	494	94	3	35	15	21	26	18	35	13	13	12	8	7	13	29	87	184	100	316	5,367	9,015	3								
10	All	Overhead Line	Wood poles	No.	-	-	136	1,247	1,292	969	302	72	58	144	108	192	268	533	330	578	137	235	362	246	236	145	158	508	320	4,834	13,410	3								
11	All	Overhead Line	Other pole types	No.	-	-	1	15	34	18	3	-	1	3	10	2	2	7	1	1	-	-	-	1	3	3	2	2	3	44	157	3								
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	-	-	-	40	17	-	0	32	-	-	-	-	11	22	0	0	3	10	14	-	-	-	1	30	11	27	218	2								
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1	0	1	-	0	-	0	-	-	0	0	-	4	2								
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	-	-	-	3	6	1	-	-	-	-	1	1	-	1	-	-	-	-	1	-	1	-	2	-	1	-	18	4								
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1	4								
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	N/A								
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	1	4								
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-																																			

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017

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

		Number of ICPs served	Line charge revenue (\$000)
8	Location *		
9	No embedded networks operate within the Network Waitaki network area or are operated elsewhere by Network Waitaki.		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26	* Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB’s network or in another embedded network		

Company Name

For Year Ended

Network / Sub-network Name

Network Waitaki Limited

31 March 2017

Network Waitaki

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

8

9e(i): Consumer Connections

9

Number of ICPs connected in year by consumer type

10

Consumer types defined by EDB*

11

Individual Contract customers - large commercial and industrial

12

Small customers - residential and commercial to 15kVA

13

Medium customers - residential and commercial 16kVA to 50kVA

14

Large customers - commercial and industrial 51kVA and above

15

16

17

Connections total

18

19

Distributed generation

20

Number of connections made in year

21

Capacity of distributed generation installed in year

22

9e(ii): System Demand

23

24

25

Maximum coincident system demand

26

GXP demand

27

plus Distributed generation output at HV and above

28

Maximum coincident system demand

29

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

30

Demand on system for supply to consumers' connection points

31

Electricity volumes carried

32

Electricity supplied from GXPs

33

less Electricity exports to GXPs

34

plus Electricity supplied from distributed generation

35

less Net electricity supplied to (from) other EDBs

36

Electricity entering system for supply to consumers' connection points

37

less Total energy delivered to ICPs

38

Electricity losses (loss ratio)

39

40

Load factor

41

9e(iii): Transformer Capacity

42

43

Distribution transformer capacity (EDB owned)

44

Distribution transformer capacity (Non-EDB owned, estimated)

45

Total distribution transformer capacity

46

47

Zone substation transformer capacity

Number of connections (ICPs)

42

15 connections

0.05 MVA

Demand at time of maximum coincident demand (MW)

52

52

52

Energy (GWh)

242

0

0

242

231

11 4.7%

0.53

(MVA)

207

11

218

201

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017
Network / Sub-network Name	Network Waitaki

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

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

sch ref

8	10(i): Interruptions	
9	Interruptions by class	Number of interruptions
10	Class A (planned interruptions by Transpower)	–
11	Class B (planned interruptions on the network)	330
12	Class C (unplanned interruptions on the network)	144
13	Class D (unplanned interruptions by Transpower)	1
14	Class E (unplanned interruptions of EDB owned generation)	–
15	Class F (unplanned interruptions of generation owned by others)	–
16	Class G (unplanned interruptions caused by another disclosing entity)	–
17	Class H (planned interruptions caused by another disclosing entity)	–
18	Class I (interruptions caused by parties not included above)	–
19	Total	475
20		
21	Interruption restoration	≤3Hrs>3hrs
22	Class C interruptions restored within	12322
23		
24	SAIFI and SAIDI by class	SAIFI SAIDI
25	Class A (planned interruptions by Transpower)	– –
26	Class B (planned interruptions on the network)	0.3791.62
27	Class C (unplanned interruptions on the network)	0.6433.90
28	Class D (unplanned interruptions by Transpower)	0.212.31
29	Class E (unplanned interruptions of EDB owned generation)	– –
30	Class F (unplanned interruptions of generation owned by others)	– –
31	Class G (unplanned interruptions caused by another disclosing entity)	– –
32	Class H (planned interruptions caused by another disclosing entity)	– –
33	Class I (interruptions caused by parties not included above)	– –
34	Total	1.23127.8
35		
36	Normalised SAIFI and SAIDI	Normalised SAIFI Normalised SAIDI
37	Classes B & C (interruptions on the network)	1.23127.8
38		
39	Quality path normalised reliability limit	SAIFI reliability limit SAIDI reliability limit
40	SAIFI and SAIDI limits applicable to disclosure year*	– –
41	* not applicable to exempt EDBs	

Company Name	Network Waitaki Limited
For Year Ended	31 March 2017
Network / Sub-network Name	Network Waitaki

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.

4210(ii): Class C Interruptions and Duration by Cause

43

44Cause

45Lightning

46Vegetation

47Adverse weather

48Adverse environment

49Third party interference

50Wildlife

51Human error

52Defective equipment

53Cause unknown

54

5510(iii): Class B Interruptions and Duration by Main Equipment Involved

56

57Main equipment involved

58Subtransmission lines

59Subtransmission cables

60Subtransmission other

61Distribution lines (excluding LV)

62Distribution cables (excluding LV)

63Distribution other (excluding LV)

6410(iv): Class C Interruptions and Duration by Main Equipment Involved

65

66Main equipment involved

67Subtransmission lines

68Subtransmission cables

69Subtransmission other

70Distribution lines (excluding LV)

71Distribution cables (excluding LV)

72Distribution other (excluding LV)

7310(v): Fault Rate

74Main equipment involved

75Subtransmission lines

76Subtransmission cables

77Subtransmission other

78Distribution lines (excluding LV)

79Distribution cables (excluding LV)

80Distribution other (excluding LV)

81Total

SAIFI

SAIDI

SAIFI

SAIDI

SAIFI

SAIDI

Number of Faults

Circuit length (km)

Fault rate (faults per 100km)

Company Name Network Waitaki Limited

For Year Ended 31 March 2017

Schedule 14 Mandatory Explanatory Notes

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and subclauses 2.5.1(1)(f), and 2.5.2(1)(e).
2. This schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 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 subclause 2.7.1(2).

Box 1: Explanatory comment on return on investment

Network Waitaki Limited's Return on Investment of 4.29% is below the 75th percentile WACC estimate of 5.48%.

This reflects a reasonable return on investment for its shareholders, the electricity consumers in the Waitaki District.

No items have been reclassified.

Regulatory Profit (Schedule 3)

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

Box 2: Explanatory comment on regulatory profit

Other regulated income was nil.

No items have been reclassified 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 subclause 2.7.1(2)
 - 6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

Box 3: Explanatory comment on merger and acquisition expenditure

No merger and acquisition expenditure this year.

Value of the Regulatory Asset Base (Schedule 4)

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

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

The roll forward of Network Waitaki Limited's regulatory asset base was done using standard procedures. No items were reclassified this year. In FY17 a number of large assets were commissioned which incorporated capex spent in previous years. This reduced the works under construction balance.

Asset disposals were mainly due to replacement of assets as a result of age and deterioration. Asset disposals included assets in the following high level categories:

- Zone substations
- Distribution and LV lines
- Distribution and LV cables
- Distribution substations and transformers
- Distribution switchgear
- Non-network assets

4(viii) Disclosure by Asset Category

The total of capital contributions on s6a in 2016 (\$2,480) did not agree to the capital contribution adjustment total on our RAB summary (\$989) which meant that the assets commissioned figure was overstated by \$1,491. We have flowed this adjustment through the 2017 disclosures by reducing the 2017 value of assets commissioned. This adjustment is not material, hence the adjustment in 2017.

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

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

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

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

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

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

Box 5: Regulatory tax allowance: permanent differences

Expenditure or loss in regulatory profit / (loss) before tax but not deductible of \$9K is from entertainment expenses and \$92k is from legal and consulting expenses incurred by Network Waitaki Limited.

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

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

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

Temporary differences are the tax effect of the difference between the tax and information disclosure treatment of capital contribution income. This amounts to \$313k depicted in Schedule 5a(vi) 'Tax effect of other temporary differences', which is made up of the Tax effect of \$310k as shown in the table 1 below, plus a further \$3k for provisions shown in table 2.

Table 1: derivation of \$313K Tax effect.

Capital contributions	2012	2013	2014	2015	2016	2017	Total remaining
624,770 -	62,477 -	62,477 -	62,477 -	62,477 -	62,477 -	62,477	249,908
1,127,130	-	112,713 -	112,713 -	112,713 -	112,713 -	112,713	563,565
1,459,780		-	145,978 -	145,978 -	145,978 -	145,978	875,868
3,362,030			-	336,203 -	336,203 -	336,203	2,353,421
2,480,806					248,081 -	248,081	1,984,645
2,034,517					-	203,452	1,831,065
11,089,033 -	62,477 -	175,190 -	321,168 -	657,371 -	905,452 -	1,108,903	7,858,472
	28%	28%	28%	28%	28%	28%	
	17	49	90	184	254	310	

Table 2: derivation of (\$11K) in provisions for leave etc.

Movement in provisions	Opening	Closing	Movement		
Annual Leave	(374,042)	(449,015)	74,972		
63 day adjustment	44,755	74,154	(29,399)		
ACC	(33,718)	(18,555)	(15,162)		
Doubtful debts	(57,678)	(39,042)	(18,636)		
Long service leave	(104,361)	(101,586)	(2,775)		
Gratuity	(109,525)	(112,663)	3,138		
Total	(634,569)	(646,708)	12,139	28%	3

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 subclause 2.3.6(1)(b).

Box 7: Related party transactions

All related party transactions have been disclosed.

Whitestone Contracting is one of the sub-contractors who provide civil contracting services to NWL.

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 subclause 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
- Audit
- Apparel
- Bank Fees
- Directors' Expenses
- Printing and Stationery
- Travel, Accommodation & meals
- Vehicle Operating Costs
- Premises
- Legal
- Consulting

ABAA was used as the allocation methodology in Business Support. A proxy cost allocator has been used for Business support. No items were reclassified.

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 subclause 2.7.1(2).

Box 9: Commentary on asset allocation

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

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

The allocation methodology used in all cases is ABAA.

A proxy cost allocator has been used in all cases.

No items were reclassified this year.

Capital Expenditure for the Disclosure Year (Schedule 6a)

13. In the box below, comment on expenditure on assets 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 subclause 2.7.1(2),

Box 10: Explanation of capital expenditure for the disclosure year

No items have been reclassified this year.

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

The main criteria to determine if expenditure is capitalised / commissioned is:

- a new asset; or
- whether the expense improves the asset value / life of the asset

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 operational expenditure, as reported in 6b(i) of Schedule 6b;
 - 14.2 Information on reclassified items in accordance with subclause 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

No items have been reclassified this year.

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 subclause 2.7.1(2).

Box 12: Explanatory comment on variance in actual to forecast expenditure

Consumer Connection: - The forecast was based on historical trends and economic data available at the time of preparing the forecast. Network Waitaki traditionally takes a conservative view when forecasting rather than overstating forward work.

System Growth: Actual expenditure was in line with the forecast.

Asset Replacement & Renewal: - Expenditure was significantly higher than forecast due to extra emphasis on several inspection and replacement programs.

Reliability, Safety, and Environment: - Network Waitaki has carried out some work in all RSE budget areas. There were a couple of major projects that are being re-scoped because of this initial work and therefore the spent was much lower.

Operational Expenditure

Service interruptions and emergencies: Service interruptions and emergencies were higher than forecast. Network Waitaki has no control over the actual spend in this budget area, as there is no option to not respond to a service interruption. The amount of work in this area is highly dependent on unpredictable external events such as weather and vehicle incidents.

Vegetation management: Expenditure was greater than forecast in this area. This is due to extra emphasis on inspection programs throwing up work. Due to the growth issues around trees we choose to carry out any extra work when it becomes necessary, rather than waiting for the next budget period.

Routine and corrective maintenance and inspection: Actual expenditure was less than the forecast.

Asset replacement and renewal: Actual expenditure was lower than the forecast. Most asset replacement work has been carried out in the capital area of the budget.

Information relating to revenues 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 clause 2.4.1 and subclause 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and
- 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

Actual revenue was 8% less than the target. A contributing factor was the lower than expected volumes due to it being a wet year with less irrigation demand. Network Waitaki normally uses an average of three years' volume data as budgeted volume for the following year.

Network Waitaki bills on GXP volumes. Network Waitaki operates a GXP (grid exit point) pricing methodology. Schedule 8 requires the reporting of energy delivered to ICPs and the billed quantities by price component. Under the GXP pricing methodology, the actual energy delivered to ICPs differs from the chargeable kWh quantities detailed in the billed quantities section of Schedule 8, which are based on GXP quantities delivered. Network Waitaki uses volumes reconciled at each GXP to determine billable charges. Consequently, Network Waitaki is reliant on the accuracy and completeness of information supplied to it by retailers for the measurement of electricity delivered to customers.

Non-Standard customers' charges have been split between the revenue received from capacity (kVA) and demand (kWA) prices. These revenues were previously reported as emanating from fixed prices which is essentially correct as the price is set for the year based on contractual capacity and an average of the 100 HHR peaks of the previous year. However, because of analysis done and comparisons made by stakeholders there is a need for finer detail and hence this improvement on schedule 8.

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 were affected as Network Waitaki, in line with the Health and Safety at Work Act 2015, require risk assessments for live-line work so the quantum of planned outages has increased significantly.

Network Waitaki has limited ability to independently verify its network reliability information. SCADA switching times are only available for larger outages. For smaller outages the information is derived from consumer reports and fault documentation. These limitations are included in the network reliability information required to be disclosed in Reports 10(i) to 10(iv).

Insurance cover

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, e.g. poles and lines, as the premiums to do so are exorbitant.

Amendments to previously disclosed information

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

Box 16: Disclosure of amendment to previously disclosed information

No material errors identified.

Company Name	Network Waitaki Limited
For Year Ended	31 March 2016

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. The forecast for the 2017 Disclosure year was taken from Table 5.2 of the February 2017 Monetary Policy Statement to adjust constant price forecasts to the nominal dollars expected to apply in each forecast year:

For CY+1 no CPI adjustment has been made. From CY+2 to CY+10 a CPI forecast of 2.1 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. The forecast for the 2017 Disclosure year was taken from Table 5.2 of the February 2017 Monetary Policy Statement to adjust constant price forecasts to the nominal dollars expected to apply in each forecast year:

For CY+1 no CPI adjustment has been made. From CY+2 to CY+10 a CPI forecast of 2.1 was used as projected for 2020.

Company Name	Network Waitaki Limited
For Year Ended	31 March 2016

Schedule 15 Voluntary Explanatory Notes

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

Box 1: Voluntary explanatory comment on disclosed information**Schedules 9a, 9b**

Improvement in GIS accuracy and a review of data have led to corrections in age profiles and therefore the items (quantity) at the start of this disclosure year may differ from the items (quantity) at the end of the previous disclosure year.

Schedule 9c

Schedule 9c line 16. Updated numbers are the result of retirement of some lines and improvement in GIS accuracy.

Line length within 10km of coastline was recalculated using the new GIS system.

Schedule 9c line 35 regarding **Overhead circuit requiring vegetation management**. The methodology used was to report on the length of line that Network Waitaki carried out work on.

Certification for Year-End Disclosures


**Pursuant to Schedule 18
Clause 2.9.2 of section 2.9**


Electricity Distribution Information Disclosure Determination 2012

We, Christopher Dennison & John Walker, 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 Network Waitaki Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.

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), 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.


Chris Dennison


John Walker

Date: 28/8/17

Date: 28/08/17



INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF NETWORK WAITAKI LIMITED AND THE COMMERCE COMMISSION

The Auditor-General is the auditor of Network Waitaki Limited (the company). The Auditor-General has appointed me, Nathan Wylie, using the staff and resources of PricewaterhouseCoopers, to provide an opinion, on his behalf, on whether the information disclosed in schedules 1 to 4, 5a to 5g, 6a and 6b, 7, the system average interruption duration index ('SAIDI') and system average interruption frequency index ('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 2017, have been prepared, in all material respects, in accordance with the Electricity Distribution Information Disclosure 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.

Our 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 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Standard on Assurance Engagements 3100: *Compliance Engagements* issued by the External Reporting Board. Copies of these standards are available on the External Reporting Board's website.

These standards require that we comply with ethical requirements and plan and perform our assurance engagement to provide reasonable assurance about whether the Disclosure Information has been prepared in all material respects in accordance with the Determination.

We have performed procedures to obtain evidence about the amounts and disclosures in the Disclosure Information. The procedures selected depend on our 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, we considered internal control relevant to the company's preparation of the Disclosure Information in order to design 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.

Use of this report

This independent assurance report has been prepared solely for the directors of the company and for the Commerce Commission for the purpose of providing those parties with reasonable 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 a reasonable assurance 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 assurance report has been formed on the above basis.

Independence and quality control

When carrying out the engagement, we complied with the Auditor-General's:

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

We also complied with the independence requirements specified in the Determination.

The Auditor-General, and his employees, and PricewaterhouseCoopers and its partners and employees may deal with the company and its subsidiaries 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 compliance services, we have no relationship with or interests in the company and its subsidiaries.

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 these limitations, we are unable to form an opinion as 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 recorded evidence and explanations that we have required.

In our opinion, except for the matters described 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;
- as far as appears from an examination, the information used in the preparation of the Disclosure Information has been properly extracted from the company's accounting and other records and has been sourced, where appropriate, from the company's financial and non-financial systems; and
- the Disclosure Information has been prepared, in all material respects, in accordance with the Determination.

In forming our opinion, we have obtained sufficient recorded evidence and all the information and explanations we have required.

A handwritten signature in blue ink, appearing to read 'Nathan Wylie', with a large, stylized flourish extending from the end of the signature.

Nathan Wylie
PricewaterhouseCoopers
On behalf of the Auditor-General
Christchurch, New Zealand
28 August 2017