

# Disclosure Requirements 2012

**Auditor's independent assurance report****To the readers of Northpower Limited's****Report for the financial year ended 31 March 2012 regarding Northpower Limited's compliance with the Electricity Distribution (Information Disclosure) Requirements 2008**

The Auditor-General is the auditor of Northpower Limited (the company). The Auditor-General has appointed me, John Scott, using the staff and resources of Audit New Zealand, to provide an opinion, on her behalf, on the company's report for the financial year ended 31 March 2012 regarding compliance with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements) as shown in the attached report comprising the schedules FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP1, MP2, MP3 and AM1 (inclusive). In this independent assurance report we refer to the company's report as the "disclosure information". The disclosure information comprises both historical and prospective financial and non-financial information.

**Respective responsibilities**

The Board of Directors is responsible for preparing disclosure information that complies with the Requirements.

Clause 10 of the Requirements requires the Auditor-General to provide an opinion on whether the disclosure information prepared by the company complies with and is presented in all material respects in accordance with the Requirements.

**Limitations and use of this independent assurance report**

This independent assurance report has been prepared solely to discharge the Auditor-General's responsibilities under the Requirements for the financial year ended 31 March 2012. This independent assurance report is not intended to be used for any purposes, other than that for which it was prepared.

Because of the inherent limitations in evidence gathering procedures, it is possible that fraud, error or non-compliance may occur and not be detected. As the procedures performed for this engagement are not performed continuously throughout the financial year and the procedures performed in respect of the company's compliance with the Requirements are undertaken on a test basis, our engagement cannot be relied on to detect all instances where the company may not have complied with the Requirements. Our opinion has been formed on the above basis.

**Basis of opinion**

The company's financial statements for the year ended 31 March 2012 have been subject to audit. The audit opinion on the financial statements of the company for the year ended 31 March 2012 was unmodified and was dated 19 July 2012.

Our work has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information complies with and has been presented in all material respects in accordance with the Requirements. We also included an assessment of the significant estimates and judgements, if any, made by the company in the preparation of the disclosure information.

A matter is material if it would affect a user's overall understanding of the disclosure information prepared by the company.

### **Historical financial and non-financial information**

Our work on the historical financial and non-financial information has been carried out in accordance with the Standard on Assurance Engagements (New Zealand) 3100: Compliance Engagements issued by the New Zealand Institute of Chartered Accountants.

Our work in respect of amounts and disclosures that were audited under the financial statement audit has been limited to agreeing the amounts and disclosures to the underlying records and audited financial statements of the company.

Our work in respect of amounts and disclosures that were not audited under the financial statement audit, has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information has been presented in all material respects in accordance with the Requirements.

### **Prospective financial and non-financial information**

Our work on the prospective financial and non-financial information has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2012 and the immediately preceding financial year, and that the information has been calculated based on source data provided by the company. We have not performed audit procedures on the source data.

We acknowledge that it is likely that actual results will vary from those forecasted, since anticipated events frequently do not occur as expected (and those variations may be significant).

### **Independence**

When carrying out the engagement we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants. We also complied with the Independent auditor provisions on independence, as specified in clause 2(1) of the Requirements.

Other than the engagement and the annual audit of the company's financial statements carried out on behalf of the Auditor-General, we have no relationship with or interests in the company.

## **Opinion**

We have obtained all the information and explanations we have required.

In our opinion:

- the company has kept proper records to enable the complete and accurate compilation of required information, in all material respects, as far as appears from our examination of those records; and
- the disclosure information prepared by the company for the financial year ended 31 March 2012 complies with the Requirements.

## **Historical financial and non-financial information**

In our opinion, the company has:

- presented the historical financial information in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3 and AM1 for the financial year ended 31 March 2012 in all material respects in compliance with the Requirements; and
- compiled the historical non-financial information included in reports MP1, MP2 and MP3 in accordance with the guidance (if any) issued pursuant to the Requirements, and has calculated the historical non-financial information based on un-audited source data provided by the company.

## **Prospective financial and non-financial information**

In our opinion, the company has:

- presented the prospective financial and non-financial information in reports AM1 and MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2012 and the immediately preceding financial year; and
- calculated the prospective financial and non-financial information based on un-audited source data provided by the company.



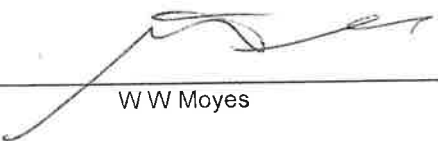
John Scott  
Audit New Zealand  
On behalf of the Auditor-General  
Auckland, New Zealand  
19 December 2012


## CERTIFICATE FOR VALUATION REPORTS

Pursuant to Requirement 11(3)

We, Warren William Moyes and Nicole Peta Davies-Colley, directors of Northpower Ltd, certify that, having made all reasonable enquiry, to the best of our knowledge:-

- (a) the attached valuation report of Northpower Ltd, prepared for the purposes of Requirement 14(3) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements; and
- (b) the replacement cost of the line business fixed assets of Northpower Ltd is \$283,377,000; and
- (c) the depreciated replacement cost of the line business system fixed assets of Northpower Ltd is \$140,922,000; and
- (d) the optimised depreciated replacement cost of the line business system fixed assets of Northpower Ltd is \$135,098,000; and
- (e) the optimised deprival valuation of the line business system fixed assets of Northpower Ltd is \$135,098,000; and
- (f) the values in paragraphs (b) through to (e) have been prepared in accordance with the ODV Handbook (as defined in the Electricity Information Disclosure Requirements 2004). These valuations are as at 31 March 2004.

  
\_\_\_\_\_  
W W Moyes

  
\_\_\_\_\_  
N P Davies-Colley

Date: 19 December 2012


19 December 2012

## CERTIFICATE FOR DISCLOSED INFORMATION

Pursuant to Requirement 11 (1)

We, Warren William Moyes and Nicole Peta Davies-Colley, directors of Northpower Ltd, certify that, having made all reasonable enquiry, to the best of our knowledge the following attached audited information of Northpower Ltd, prepared for the purposes of Requirements 3, 4, 6 and 7(5) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements:-

- (i) Report FS1 : Regulatory Profit Report;
- (ii) Report FS2 : Regulatory Asset and Financing Report;
- (iii) Report FS3 : Regulatory Tax Allowance Report;
- (iv) Report AV1 : Annual Regulatory Valuation Roll-Forward Report;
- (v) Report AV2 : Valuation Disclosure by Asset Class (for System Fixed Assets);
- (vi) Report AV3 : System Fixed Assets Replacement Cost Roll-Forward Report;
- (vii) Report AV4 : Merger or Acquisition Regulatory Asset Base Disclosure;
- (viii) Report MP1 : Network Information Report;
- (ix) Report MP2 : Performance Measures Report;
- (x) Report MP3 : Price and Quality Report; and
- (xi) Report AM1 : Expenditure Forecasts and Reconciliation

  
\_\_\_\_\_  
W W Moyes

  
\_\_\_\_\_  
N P Davies-Colley

Date: 19 December 2012

19 December 2012

**REPORT FS1: REGULATORY PROFIT STATEMENT**

ref		Electricity Distribution Business:	Northpower Limited
		For Year Ended	2012
5			
6	<b>Income</b>		
7			(\$000)
8	Net Line Charge Revenue Received	49,406	
9	plus Discretionary Discounts and Customer Rebates	4,011	
10	<b>Gross Line Charge Income</b>		53,417
11			
12			
13	Capital Contributions	-	
14	plus Net Value of Vested Assets	1,702	
15	<b>Total Capital Contributions and Vested Assets</b>		1,702
16			
17	AC Loss Rental Rebates Received	1,360	
18	less AC Loss Rental Rebates Passed On	1,360	
19	<b>Net AC loss rental income (deficit)</b>		-
20			
21			
22	<b>Other Income</b>	141	
23			141
24			
25	<b>Total regulatory income</b>		55,260
26			
27			
28	<b>Expenses</b>		
29			
30	Transmission Charges - Payments to Transpower	15,520	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	300	
32	<b>Total Transmission Costs</b>		15,820
33			
34	<b>Operational Expenditure:</b>		
35	General Management, Administration and Overheads	6,314	
36	System Management and Operations	487	
37	Routine and Preventative Maintenance	1,135	
38	Refurbishment and Renewal Maintenance	3,317	
39	Fault and Emergency Maintenance	1,404	
40	Pass-through Costs	227	
41	Other	1,958	
42	<b>Total Operational Expenditure</b>		14,842
43			
44			
45	<b>Operational earnings</b>		24,598
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	9,907	
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	249	
50	<b>Total Regulatory Depreciation</b>		10,156
51			
52			
53	<b>Earnings before interest and tax (EBIT)</b>		14,442
54			
55	less Regulatory Tax Allowance		2,051
56			
57	plus Indexed Revaluation (of System Fixed Assets)		3,277
58	plus Revaluations of Non-System Fixed Assets		-
59			
60	<b>Regulatory profit / loss (pre-financing and distributions)</b>		15,668

**REPORT FS1: REGULATORY PROFIT STATEMENT (cont)**

**Notes to Regulatory Profit Statement**

69	<b>FS1a: Discretionary Discounts: Customer Rebates and other line charge adjustments</b>		<b>(\$000)</b>
70	Customer Rebates		
71	Line Charge Holidays and other Discretionary Discounts	4,011	
72	<b>Total Discretionary Discounts and Customer Rebates</b>		<b>4,011</b>

75	<b>FS1b: Related party expenditure - summary</b>		<b>(\$000)</b>
76	Avoided Transmission Charges	300	
77	Operational Expenditure	8,948	
78	Subvention Payment		
79	Other related party expenditure	8,516	
80	<b>Total Related Party Expenditure</b>		<b>17,764</b>

*N.B.: The additional Related Party information that is required to be disclosed in accordance with Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this Schedule and forms part of this Schedule.*

87	<b>FS1c: Operational Expenditure notes</b>		<b>(\$000)</b>
88			
89	<b>Merger and Acquisition Expenses</b>		
90	Merger and Acquisition Expenses (not to be included in Operational Expenditure)		
91			
92	<b>Material items (if greater than 10% of the Operational Expenditure line item)</b>		
93	Material item amount 1	154	<i>Notes to be provided</i>
94	within expenditure category:	Pass-through Costs	
95			
96	Material item amount 2	48	<i>Notes to be provided</i>
97	within expenditure category:	Pass-through Costs	
98			
99	Material item amount 3	24	<i>Notes to be provided</i>
100	within expenditure category:	Pass-through Costs	
101			
102			<i>(further disclosures to be provided on separate page if required)</i>
103			

106	<b>FS1d: Vested Assets</b>		<b>(\$000)</b>
107	Consideration Paid for Vested Assets		281

110	<b>FS1e: Reclassified items in Operational Expenditure</b>		<b>(\$000)</b>
111	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
112	Previous classification:	Select one	
113	New classification:	Select one	
114			
115			<b>(\$000)</b>
116	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
117	Previous classification:	Select one	
118	New classification:	Select one	
119			
120			<b>(\$000)</b>
121	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
122	Previous classification:	Select one	
123	New classification:	Select one	
124			

*to be repeated as required for multiple reclassifications*



**REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT**

ref		Electricity Distribution Business:	<b>Northpower Limited</b>
		For Year Ended	<b>2012</b>
5			
6			
7	<b>Capital Expenditure on System Fixed Assets (by primary purpose)</b>		<b>(\$000)</b>
8	Customer Connection	347	
9	System Growth	545	
10	Reliability, Safety and Environment	437	
11	Asset Replacement and Renewal	7,775	
12	Asset Relocations	92	
13	<b>Total Capital Expenditure on System Fixed Assets</b>		<b>9,196</b>
14			
15			
16	<b>Capital Expenditure on Non-System Fixed Assets</b>		<b>388</b>
17			
18			
19	<b>Capital works roll-forward (for System Fixed Assets)</b>		
20	Works Under Construction at Beginning of Year	736	
21	<i>plus</i> Total Capital Expenditure on System Fixed Assets	9,196	
22	<i>less</i> Assets Commissioned in Year	9,083	
23	<b>Works under construction at year end</b>		<b>849</b>
24			
25			
26	<b>Regulatory Investment Value calculation</b>		
27	System Fixed Assets: regulatory value at end of Previous Year	208,632	
28	Non-System Fixed Assets: regulatory value at end of Previous Year	10,628	
29	Finance During Construction Allowance (on System Fixed assets)	5,111	
30	<b>Total Regulatory Asset Base value at beginning of Current Financial Year</b>		<b>224,372</b>
31			
32	<i>plus</i> ( System Fixed Assets Commissioned in Year	9,083	
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	
34	Non-System Fixed Assets: Asset Additions	388	
35	Regulatory Asset Base investment in Current Financial Year - total	9,471	
36	<b>Regulatory Asset Base investment in Current Financial Year - average</b>		<b>4,736</b>
37			
38	<i>plus (minus) where a merger or acquisition has taken place within the year</i>		
39	<b>Adjustment for merger, acquisition or sale to another EDB</b>		<b>-</b>
40			
41	<b>Regulatory Investment Value</b>		<b>229,107</b>

**REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION**

ref	Electricity Distribution Business:		Northpower Limited
		For Year Ended	2012
5			
6			
7			<b>(\$000)</b>
8		<b>Earnings before interest and tax (EBIT)</b>	14,442
9			
10	<i>add</i>	Total Regulatory Depreciation	10,156
11		Other Permanent Differences - not deductible	
12		Other Temporary Adjustments - Current Period	
13			10,156
15	<i>less</i>	Non Taxable Capital Contributions and Vested Assets	1,702
16		Tax Depreciation	6,226
17		Deductible Discretionary Discounts and Customer Rebates	4,011
18		Deductible Interest	5,334
19		Other Permanent Differences - Non Taxable	
20		Other Temporary Adjustments - Prior Period	
21			17,272
22			
23		<b>Regulatory taxable income for Year</b>	<b>7,326</b>
24			
25	<i>less</i>	Tax Losses Available at Start of Year	
26		<b>Net taxable income</b>	<b>7,326</b>
27			
28		Statutory Tax Rate	28%
29		<b>Regulatory Tax Allowance</b>	<b>2,051</b>

**Notes to Regulatory Tax Allowance Calculation**

36	<b>FS3a: Description of adjustments classified as "other"</b>
37	
38	The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory notes can be provided in a separate note if necessary).
39	
40	
41	
42	
43	
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45	

48	<b>FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)</b>		
49			
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%
51			
52	Standard Cost of Debt Assumption	5.82%	%
53			
54	Deductible Interest	5,334	\$000
55			
56	Interest Tax Shield Adjustment	1,493	\$000

## REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

ref	Electricity Distribution Business:		Northpower Limited								
5			For Year Ended:							2012	
6			Year of most recent ODV							2004	
7			(\$'000)								
8			ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +	
9			1	2	3	4	5	6	7	8	
10		For Year Ending:	2005	2006	2007	2008	2009	2010	2011	2012	
11	<b>System Fixed Assets</b>										
12		Regulatory Value at End of Previous Year*	135,098	141,767	152,581	160,580	175,650	186,437	194,241	208,632	to FS2
13	plus										
14		Assets Commissioned	2,065	4,172	3,133	5,649	8,510	7,674	13,035	9,083	to FS2
15		Gross Value of Vested Assets	6,528	7,840	7,000	8,495	4,107	2,699	2,005	1,983	to FS1
16		Assets Acquired from (Sold to) a Non-EDB									to FS2
17		<b>Asset Additions</b>	8,593	12,012	10,133	14,144	12,617	10,373	15,040	11,066	
18	plus										
19		<b>Indexed Revaluation</b>	3,639	4,760	3,873	5,406	5,216	3,815	8,676	3,277	to FS1
20	less										
21		Depreciation of System Fixed Assets	5,532	5,906	5,878	6,176	6,729	6,938	7,570	7,842	
22		Regulatory Value of Assets Decommissioned	31	53	128	340	317	1,961	1,755	2,065	
23		<b>Regulatory Depreciation (incl. value of assets decommissioned)</b>	5,563	5,959	6,006	6,516	7,046	8,899	9,325	9,907	to FS1
24	plus (minus)										
25		Acquisition of System Fixed Assets from another EDB	-	-	-	-	-	-	-	-	from AV4
26	less										
27		Sale of System Fixed Assets to another EDB	-	-	-	-	-	-	-	-	from AV4
28		<b>Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB</b>	-	-	-	-	-	-	-	-	
29	plus (minus)										
30		<b>Net Increase (Decrease) Due to Changes in Asset Register Information</b>				2,036		2,515			
31											
32		<b>Regulatory Value of System Fixed Assets at Year End</b>	<b>141,767</b>	<b>152,581</b>	<b>160,580</b>	<b>175,650</b>	<b>186,437</b>	<b>194,241</b>	<b>208,632</b>	<b>213,069</b>	
33											
34	<b>Non-System Fixed Assets</b>										
35		Regulatory value at end of previous year	5,827	5,409	7,210	7,185	9,370	9,807	10,114	10,628	
36	plus	Asset Additions	(383)	63	155	797	624	491	733	388	to FS2
37	plus	Revaluations		1,905		1,544					to FS1
38	less	Depreciation (incl. value of assets decommissioned)	35	167	180	156	187	184	219	249	to FS1
39	plus	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB									from AV4
40		<b>Regulatory Value of Non-System Fixed Assets at Year end</b>	<b>5,409</b>	<b>7,210</b>	<b>7,185</b>	<b>9,370</b>	<b>9,807</b>	<b>10,114</b>	<b>10,628</b>	<b>10,767</b>	
41											
42											
43											
44		<b>Total Regulatory Asset Base Value (excluding FDC)</b>	<b>147,176</b>	<b>159,791</b>	<b>167,765</b>	<b>185,020</b>	<b>196,244</b>	<b>204,355</b>	<b>219,260</b>	<b>223,836</b>	
45											
46											
47											
48		* The commencing figure for completing this schedule is the most recent ODV value									
49		Note: Additional columns to be added if required									

## Notes to Annual Regulatory Valuation Roll-forward Report

57	<b>AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets</b>									
58	CPI as at date of ODV		928							
59										
60		For Year Ended	2005	2006	2007	2008	2009	2010	2011	2012
61		CPI at CPI reference date	953	985	1010	1044	1075	1097	1146	1164
62		<b>Revaluation Rate</b>	<b>2.69%</b>	<b>3.36%</b>	<b>2.54%</b>	<b>3.37%</b>	<b>2.97%</b>	<b>2.05%</b>	<b>4.47%</b>	<b>1.57%</b>
63										
64		System Fixed Assets: Regulatory Value at End of Previous Year	135,098	141,767	152,581	160,580	175,650	186,437	194,241	208,632
65		<b>Indexed Revaluation of System Fixed Assets</b>	<b>3,639</b>	<b>4,760</b>	<b>3,873</b>	<b>5,406</b>	<b>5,216</b>	<b>3,815</b>	<b>8,676</b>	<b>3,277</b>
66										to FS1, AV1
68	<b>AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB</b>									
69		For Year Ended	2005	2006	2007	2008	2009	2010	2011	2012
70		Acquisition of System Fixed Assets from another EDB								
71		Sale of System Fixed Assets to another EDB								
72		Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB								

**REPORT AV2: REGULATORY VALUATION DISCLOSURE BY ASSET CLASS**  
**(for System Fixed Assets)**

Electricity Distribution Business: **Northpower Limited**

For Year Ended: **2012**

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**Subtotals by Asset Class (for System Fixed Assets)**

(\$000)

**System Fixed Assets**

Regulatory Value of System Fixed Assets (as per most recent ODV)

Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)
8,962	13,339	66,125	18,981	21,513	5,323	855	135,098
							93,978
							38,662
							59,221
							-
							4,551
<b>Regulatory Value of System Fixed Assets at Year End</b>							<b>213,069</b>

**Cumulative roll-forward since most recent ODV:**

Asset Additions  
 Indexed Revaluation (of System Fixed Assets)  
 less Regulatory Depreciation (of System Fixed Assets)  
 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB  
 Net Increase (Decrease) Due to Changes in Asset Register Information

**REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT**

ref		Electricity Distribution Business:	Northpower Limited
5		For Year Ended:	2012
6	<b>System Fixed Assets - Replacement Cost</b>		
7			<b>(\$000)</b>
8	<b>Replacement cost at end of previous year</b>		421,871
9			
10	Asset Additions		11,066
11	Indexed Revaluation (of System Fixed Assets)		6,626
12	less Replacement Cost of Assets Decommissioned		4,862
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		-
14	Net Increase (Decrease) Due to Changes in Asset Register Information		
15	<b>Replacement cost of System Fixed Assets at year end</b>		<b>434,702</b>
16			
17			
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>		
19			
20	<b>Depreciated Replacement Cost at end of previous year</b>		210,663
21			
22	Asset Additions		11,066
23	Indexed Revaluation (of System Fixed Assets)		3,309
24	less Depreciation of Replacement Cost		8,030
25	less Depreciated Replacement Cost of Assets Decommissioned		2,065
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		-
27	Net Increase (Decrease) Due to Changes in Asset Register Information		
28	<b>Depreciated replacement cost of System Fixed Assets at year end</b>		<b>214,943</b>

**REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)****Notes to Price and Quality Measures**

36	<b>AV3a: New Asset Additions</b>		
37			
38	Asset Additions - Depreciated Replacement Cost		11,066
39	plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions		
40			
41	<b>Asset Additions - Replacement Cost</b>		<b>11,066</b>
42			

**REPORT AV4: BUSINESS MERGER, ACQUISITION OR SALE - REGULATORY ASSET BASE DISCLOSURE**

Electricity Distribution Business: Northpower Limited

6 Disclosure required? (YES or NIL DISCLOSURE): NO DISCLOSURE REQUIRED

7

8

9 As at (date):  

10 Proportion of year following transfer of assets: 0%

11

**PART 1: Most recent ODV valuation of System Fixed Assets transferred**

(\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transformers	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								-
14								
15 less Depreciation								-
16 <b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
17								
18 less Optimisation adjustment								-
19 <b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
20								
21 less Economic Value Adjustment (EVA)								-
22 <b>Most recent ODV value</b>	-	-	-	-	-	-	-	-
23								
24								

**PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)**

(\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
28			
29 <b>Cumulative roll-forward since most recent ODV:</b>			
30 Asset Additions			
31 Indexed Revaluation (of System Fixed Assets)			
32 less Regulatory Depreciation (of System Fixed Assets)			
33 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
34 Net Increase (Decrease) due to Changes in Asset Register Information			
35 <b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
36			
37 Acquisition of Assets from Another EDB	-	-	to AV1
38 Sale of Assets to Another EDB	-	-	to AV1
39			
40			
41 RAB Value of Transferred Assets at Transfer Date	-		
42 "p" factor (proportion of year following transfer of assets)	0%		
43 <b>Adjustment for merger, acquisition or sale to another EDB</b>		-	to FS2
44			
45			

**PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred**

(\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets	
48 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		-	to AV3
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		-	to AV3
50			
51			

Signed by: Selling Entity

Acquiring Entity

**REPORT AV4: BUSINESS MERGER, ACQUISITION OR SALE - REGULATORY ASSET BASE DISCLOSURE**

Electricity Distribution Business: Northpower Limited

6 Disclosure required? (YES or NIL DISCLOSURE): NO DISCLOSURE REQUIRED

7

8

9 As at (date):  

10 Proportion of year following transfer of assets: 0%

11

12

**PART 1: Most recent ODV valuation of System Fixed Assets transferred**

(\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transformer	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
Replacement Cost (RC)								-
less Depreciation								-
<b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
less Optimisation adjustment								-
<b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
less Economic Value Adjustment (EVA)								-
<b>Most recent ODV Value</b>	-	-	-	-	-	-	-	-

**PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)**

(\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
<b>Cumulative roll-forward since most recent ODV:</b>			
Asset Additions			
Indexed Revaluation (of System Fixed Assets)			
less Regulatory Depreciation (of System Fixed Assets)			
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
Net Increase (Decrease) Due to Changes in Asset Register Information			
<b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
Acquisition of Assets from another EDB	-	-	to AV1
Sale of Assets to another EDB	-	-	to AV1
RAB Value of Transferred Assets at Transfer Date	-		
"p" factor (proportion of year following transfer of assets)	0%		
<b>Adjustment for merger, acquisition or sale to another EDB</b>		-	to FS2

**PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred**

(\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets	
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		-	to AV3
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		-	to AV3

Signed by: Selling Entity

Acquiring Entity

**REPORT AV4: BUSINESS MERGER, ACQUISITION OR SALE - REGULATORY ASSET BASE DISCLOSURE**

Electricity Distribution Business: Northpower Limited

6 Disclosure required? (YES or NIL DISCLOSURE): NO DISCLOSURE REQUIRED

7

8

9 As at (date):  

10 Proportion of year following transfer of assets 0%

11

12

**PART 1: Most recent ODV valuation of System Fixed Assets transferred**

(\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transformer	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
Replacement Cost (RC)								-
less Depreciation								-
<b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
less Optimisation adjustment								-
<b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
less Economic Value Adjustment (EVA)								-
<b>Most recent ODV Value</b>	-	-	-	-	-	-	-	-

**PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)**

(\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
<b>Cumulative roll-forward since most recent ODV:</b>			
Asset Additions			
Indexed Revaluation (of System Fixed Assets)			
less Regulatory Depreciation (of System Fixed Assets)			
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
Net Increase (Decrease) Due to Changes in Asset Register Information			
<b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
Acquisition of Assets from Another EDB	-	-	to AV1
Sale of Assets to Another EDB	-	-	to AV1
RAB Value of Transferred Assets at Transfer Date	-		
"p" factor (proportion of year following transfer of assets)	0%		
<b>Adjustment for merger, acquisition or sale to another EDB</b>		-	to FS2

**PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred**

(\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		-
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		-

Signed by: Selling Entity

Acquiring Entity



**REPORT MP1: NETWORK INFORMATION**

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Northpower		
6		For Year Ended:		
7	Network Name:	Northpower (enter "Total Business" or name of network)		
9	Disclosure:	Annual Disclosure - Requirement 6(1)		
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>			
11		<b>Overhead (km)</b> <b>Underground (km)</b> <b>Total (km)</b>		
12	> 66kV			
13	50kV & 66kV			
14	33kV	219	20	239
15	SWER (all SWER voltages)			-
16	22kV (other than SWER)			-
17	6.6kV to 11kV (inclusive - other than SWER)	3,483	235	3,718
18	Low Voltage (< 1kV)	1,197	624	1,821
19	<b>Total circuit length (for Supply)</b>	<b>4,899</b>	<b>879</b>	<b>5,778</b>
20				
21	<b>Dedicated Street Lighting Circuit Length</b>	177	206	383
22				
23	<b>Overhead Circuit Length by Terrain (at year end)</b>	<b>(km)</b>	<b>(%)</b>	
24	Urban (only)	658	13%	
25	Rural (only)	4,241	87%	
26	Remote (only)		0%	
27	Rugged (only)		0%	
28	Rural & rugged (only)		0%	
29	Remote & rugged (only)		0%	
30	Unallocated overhead lines		0%	
31	<b>Total overhead length</b>	<b>4,899</b>	<b>100%</b>	
32				
33				
34	<b>Transformer capacity (at year end)</b>			
35	Distribution Transformer Capacity (EDB Owned)	508	MVA	
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	3	MVA	
37	<b>Total Distribution Transformer Capacity</b>	<b>511</b>	<b>MVA (to MP2)</b>	
38				
39	Zone Substation Transformer Capacity	281	MVA	
40				
41	<b>System Fixed Assets age (at year end)</b>			
42	Average Age of System Fixed Assets	24	Years	
43	Average Expected Total Life of System Fixed Assets	51	Years	
44	Average Age as a Proportion of Average Expected Total Life	47%	%	
45				
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	17%	%	
47				
48				
49				
50				
51	<b>Electricity demand</b>	<b>Maximum coincident system demand (MW)</b>	<b>Non-coincident Sum of maximum demands (MW)</b>	
52				
53	<b>GXP Demand</b>	168	177	
54	plus Embedded Generation Output at HV and Above	4		
55	<b>Maximum System Demand</b>	172		
56	less Net Transfers to (from) Other EDBs at HV and Above	-		
57	<b>Demand on system for supply to customers' Connection Points</b>	172		
58	less Subtransmission Customers' Connection Point Demand	55	62	
59	<b>Maximum Distribution Transformer Demand</b>	117		
60				
61	GXP Demand not Supplied at Subtransmission Level	11		
62	Embedded Generation Output - Connected to Subtransmission System	4	4	
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-		
64				
65	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	-		
66				
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	1.2	% p.a.	
68				
69	<b>Electricity volumes carried</b>	<b>(GWh)</b>		
70	Electricity Supplied from GXPs	987		
71	less Electricity Exports to GXPs	-		
72	plus Electricity Supplied from Embedded Generators	27		
73	less Net Electricity Supplied to (from) Other EDBs	-		
74	<b>Electricity entering system for supply to customers' Connection Points</b>	1,015		
75	less Electricity Supplied to Customers' Connection Points	979		
76	<b>Electricity Losses (loss ratio)</b>	36	3.5%	
77				
78	Electricity Supplied to Customers' Connection Points	979		
79	less Electricity Supplied to Largest 5 Connection Points	445		
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	534	55%	
81				
82	<b>Load Factor</b>	67%	%	
83				
84	<b>Number of Connection Points (at year end)</b>	54,933	ICPs	
85				
86	<b>Intensity of service requirements</b>			
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	20	kW/km	
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	169	MWh/km	
89	Connection Point Density (ICPs / Total circuit length)	10	ICP/km	
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	17,820	kWh/ICP	

## REPORT MP2: PERFORMANCE MEASURES

ref	Electricity Distribution Business:		Northpower Limited				
	For Year Ended:		2012				
	Previous Years:			Current Financial Year			
	Current Yr - 3	Current Yr - 2	Current Yr - 1				
5							
6	<b>Performance comparators</b>						
7							
8							
9	<b>Operational expenditure ratio</b>						
10	<i>Total Operational Expenditure</i>	16	16	15	\$m	from FS1	
11	<i>Replacement Cost of System Fixed Assets (at year end*)</i>	383	394	422	\$m	from AV3	
12	<b>Ratio (%)</b>	4.17%	3.95%	3.51%			
13							
14	<b>Capital expenditure ratio</b>						
15	<i>Total Capital Expenditure on System Fixed Assets</i>	8	11	10	\$m	from FS2	
16	<i>Replacement Cost of System Fixed Assets (at year end*)</i>	383	394	422	\$m	from AV3	
17	<b>Ratio (%)</b>	1.99%	2.78%	2.33%			
18							
19	<b>Capital expenditure growth ratio</b>						
20	<i>Capital Expenditure: Customer Connection and System Growth</i>	-	4	2	\$m	from FS2	
21	<i>Change in Total Distribution Transformer Capacity</i>	19	5	29	(3)	MVA	from MP1
22	<b>\$/kVA</b>	-	755	75	-	263	\$/kVA
23							
24	<b>Renewal expenditure ratio</b>						
25	<i>Capital &amp; Operational Expenditure: Asset Replacement, Refurbishment and Renewal</i>	4	10	11	\$m	from FS1 & 2	
26	<i>Regulatory Depreciation of System Fixed Assets</i>	7	9	9	\$m	from AV1	
27	<b>Ratio (%)</b>	58%	114%	114%			
28							
29	<b>Distribution Transformer Capacity Utilisation</b>						
30	<i>Maximum Distribution Transformer Demand</i>	101	100	97	MW	from MP1	
31	<i>Total Distribution Transformer Capacity (at year end*)</i>	480	485	514	kVA	from MP1	
32	<b>Ratio (%)</b>	21.0%	20.6%	18.9%			
33							
34	<b>Return on Investment</b>						
35	<i>Regulatory Profit / Loss (pre-financing and distributions)</i>	16	15	20	\$m	from FS1	
36	<i>less Interest Tax Shield Adjustment</i>	2	1	2	\$m	from FS3	
37	<i>Adjusted Regulatory Profit</i>	14	14	18	\$m		
38	<i>Regulatory Investment Value</i>	194	205	216	\$m	from FS2	
39	<b>Ratio (%)</b>	7.46%	6.79%	8.26%			
40							
41							
42	<b>Expenditure comparison table</b>						
43							
44							
		<b>Expenditure metrics (\$ per):</b>					
45							
46							
47	<b>Capital Expenditure (\$) per</b>	1,659	10	55,722	174	18,881	from FS2 & MP1
48	<b>Operational Expenditure (\$) per</b>	2,569	15	86,291	270	29,240	from FS1 & MP1
49							

\* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.

**REPORT MP3: PRICE & QUALITY MEASURES**

(Separate report required for each Non-contiguous Network)

ref	Electricity Distribution Business: <b>Northpower Limited</b>					
6	For Year Ended: <b>2012</b>					
7	Network Name: <b>Northpower</b>					
9	Disclosure: <b>Annual Disclosure - Requirement 6(1)</b>					
10	<b>QUALITY</b>					
11	<b>Interruptions</b>					
12	<b>Interruptions by class</b>					
13	Class A	planned interruptions by Transpower:				
14	Class B	planned interruptions on the network				
15	Class C	unplanned interruptions on the network				
16	Class D	unplanned interruptions by Transpower				
17	Class E	unplanned interruptions of network owned generation				
18	Class F	unplanned interruptions of generation (non-network)				
19	Class G	unplanned interruptions caused by other electricity industry participant				
20	Class H	planned interruptions caused by other electricity industry participant				
21	<b>Total</b>	<b>Total of above</b>				
22						
23						
24	<b>Interruption targets for Forecast Year</b>	<b>2013 Current Financial Year +1</b>				
25	Class B	400 planned interruptions on the network				
26	Class C	284 unplanned interruptions on the network				
27						
28	<b>Average interruption targets for 5 Forecast Years</b>	<b>2013-2017 Current Financial Year +1 to +5</b>				
29	Class B	400 planned interruptions on the network				
30	Class C	284 unplanned interruptions on the network				
31						
32	<b>Class C interruptions restored within</b>	<b>≤3Hrs &gt;3hrs</b>				
33		254 65				
34						
35	<b>Faults</b>					
36	<b>Faults per 100 circuit kilometres</b>					
37	The total number of faults for Current Financial Year	8.23 in year 2012				
38	The total number of faults forecast for the Forecast Year	7.05 in year 2013				
39	The average annual number of faults forecast for the 5 Forecast Years	7.05 average over years 2013-2017				
40						
41	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>					
42	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
43	Is this voltage part of the EDB system?	Yes	No	No	Yes	No
44	Current Financial Year	8.52			3.78	
45	Forecast Year	7.50			2.00	
46	Average annual for 5 Forecast Years	7.50			2.00	
47						
48	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>					
49	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
50	Underground	-		-		
51	Overhead	8.52		3.78		
52						
53	<b>Reliability</b>					
54	<b>Overall reliability</b>	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>		
55	Based on the total number of interruptions	146.02	2.55	57.30		
56						
57	<b>Reliability by interruption class</b>	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>		
58	Class B	46.51	0.24	195.30		
59	Class C	99.51	2.31	43.10		
60						
61	<b>Targets for Forecast Year</b>	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>		
62	Class B	55.00	0.24	229.00		
63	Class C	90.00	2.30	39.00		
64						
65	<b>Average targets for 5 Forecast Years</b>	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>		
66	Class B	55.00	0.24	229.00		
67	Class C	90.00	2.30	39.00		
68						
69						
70	<b>PRICES</b>					
71	<b>Price information by Connection Point Class</b>					
72						
73						
74						
75		<b>Connection Point Class</b>				
76		Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	Total
77	Gross line charge income (\$000)	26,342	11,802	8,197	7,076	53,417
78	Electricity Supplied to Customers' Connection Points (MWh)	284,428	117,718	131,299	445,484	978,929
79	Number of Connection Points (ICPs) at year end	44,266	10,160	502	5	54,933
80	Unit Price (cents/kWh)	9.3	10.0	6.2	1.6	5.5
81	Relative Unit Price Index	1.00	1.08	0.67	0.17	0.59

**REPORT MP3: PRICE AND QUALITY (cont)**

**Notes to Price and Quality Measures**

89	<b>MP3a: Connection Point Class breakpoints</b>	
90		
91	<b>Connection Point Class breakpoints methodology</b>	Metering installation category based breakpoints
92		
93	<b>kVA based breakpoints - additional disclosure</b>	
94	Breakpoint between small and medium classes	_____ kVA
95	Breakpoint between large and medium classes	_____ kVA
96		

## REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

ref	Electricity Distribution Business: <b>Northpower Limited</b>							
	For Year Ended <b>2012</b>							
	<b>(\$000)</b>							
	Forecast Years							
	Actual for Current Financial Year	year 1	year 2	year 3	year 4	year 5		
	2012	2013	2014	2015	2016	2017		
5	<b>A) Five year forecasts of expenditure</b>							
6	<i>From most recent Asset Management Plan</i>							
7								
8	<i>for year ended</i>							
9	Capital Expenditure: Customer Connection	347	450	800	1,522	362	373	from FS2
10	Capital Expenditure: System Growth	545	1,877	380	2,794	4,544	2,532	from FS2
11	Capital Expenditure: Reliability, Safety and Environment	437	1,338	1,770	1,421	1,236	415	from FS2
12	Capital Expenditure: Asset Replacement and Renewal	7,775	9,510	9,194	9,166	8,496	10,271	from FS2
13	Capital Expenditure: Asset Relocations	92	335	280	82	85	87	from FS2
14	<b>Subtotal - Capital Expenditure on asset management</b>	<b>9,196</b>	<b>13,510</b>	<b>12,424</b>	<b>14,985</b>	<b>14,723</b>	<b>13,678</b>	
15								
16	Operational Expenditure: Routine and Preventative Maintenance	1,135	1,594	1,375	1,416	1,459	1,502	from FS1
17	Operational Expenditure: Refurbishment and Renewal Maintenance	3,317	3,585	3,654	3,764	3,877	3,993	from FS1
18	Operational Expenditure: Fault and Emergency Maintenance	1,404	1,286	1,316	1,356	1,396	1,438	from FS1
19	<b>Subtotal - Operational Expenditure on asset management</b>	<b>5,856</b>	<b>6,465</b>	<b>6,345</b>	<b>6,536</b>	<b>6,732</b>	<b>6,933</b>	
20								
21	<b>Total direct expenditure on distribution network</b>	<b>15,052</b>	<b>19,975</b>	<b>18,769</b>	<b>21,521</b>	<b>21,455</b>	<b>20,611</b>	
22								
23	<b>Overhead to Underground Conversion Expenditure</b>	<b>-</b>	<b>100</b>	<b>100</b>	<b>50</b>	<b>50</b>	<b>50</b>	
24								
25	<i>The Electricity Distribution Business is to provide the amount of Overhead to Underground Conversion Expenditure included in each of the above Expenditure Categories (explanatory notes can be provided in a separate note if necessary).</i>							
26	<i>Conversion is commonly undertaken at a property owner's request or in some instances where existing overhead assets are required to be relocated e.g. road widening, in which case Northpower contributes to the cost of materials. Northpower does not have any internally initiated conversion projects planned at this time</i>							
27								
28								
29								
30	<b>B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure</b>							
31		Actual for Current Financial Year (a)	Previous forecast for Current Financial Year (b)	% Variance (a)/(b)-1				
32	Capital Expenditure: Customer Connection	347	375	-7.4%			from row 10	
33	Capital Expenditure: System Growth	545	4,892	-88.9%			from row 11	
34	Capital Expenditure: Reliability, Safety and Environment	437	1,264	-65.4%			from row 12	
35	Capital Expenditure: Asset Replacement and Renewal	7,775	10,206	-23.8%			from row 13	
36	Capital Expenditure: Asset Relocations	92	406	-77.4%			from row 14	
37	<b>Subtotal - Capital Expenditure on asset management</b>	<b>9,196</b>	<b>17,143</b>	<b>-46.4%</b>				
38								
39	Operational Expenditure: Routine and Preventative Maintenance	1,135	1,961	-42.1%			from row 17	
40	Operational Expenditure: Refurbishment and Renewal Maintenance	3,317	3,805	-12.8%			from row 18	
41	Operational Expenditure: Fault and Emergency Maintenance	1,404	1,148	22.3%			from row 19	
42	<b>Subtotal - Operational Expenditure on asset management</b>	<b>5,856</b>	<b>6,914</b>	<b>-15.3%</b>				
43								
44	<b>Total direct expenditure on distribution network</b>	<b>15,052</b>	<b>24,057</b>	<b>-37.4%</b>				
45								
46								
47								
48								
49	<b>Explanation of variances</b>							
50	<i>Distribution Business must provide a brief explanation for any line item variance of more than 10%</i>							
51	<i>Explanatory notes (can be provided in a separate note if necessary):</i>							
52	Note 1. Five significant projects (\$3 million) were deferred due to lack of growth. A number of projects were started late due to various constraints.							
53	Note 2. One project cancelled, one project deferred, six projects started late due to constraints.							
54	Note 3. One project (\$2.5 million) deferred and conductor replacement project started late.							
55	Note 4. Planned SH1 roadworks project rescheduled due to Christchurch earthquake.							
56	Note 5. Vegetation control expenditure transferred to follow up budget and tasks reviewed.							
57	Note 6. Under expenditure mainly due to difference between forecast and approved budget.							
58	Note 7. Over expenditure due to higher than expected overhead line and cable faults.							
59								
60								
61								
62								
63								

## Transitional Provisions – Requirement Part 4 14 (8)

	2012	2011	2010	2009	2008
<b>Statistics</b>					
(a) System length, broken down by voltage:					
33 kV	239.0 km	239.0km	237.0km	235.0km	234.0km
11 kV	3,718.0 km	3,697.0km	3,615.0km	3,424.0km	3,375.0km
400 V	1,821.0 km	1,890.0km	1,977.0km	1,968.0km	2,147.0km
<b>Total</b>	<b>5,778.0 km</b>	<b>5,826.0km</b>	<b>5,829.0km</b>	<b>5,627.0km</b>	<b>5,756.0km</b>
(b) Circuit length of overhead lines, broken down by voltage:					
33 kV	219.0 km	220.0km	220.0km	218.0km	217.0km
11 kV	3,483.0 km	3,466.0km	3,394.0km	3,227.0km	3,184.0km
400 V	1,197.0 km	1,284.0km	1,390.0km	1,449.0km	1,597.0km
<b>Total</b>	<b>4,899.0 km</b>	<b>4,970.0km</b>	<b>5,004.0km</b>	<b>4,894.0km</b>	<b>4,998.0km</b>
(c) Circuit length of underground cables broken down by voltage:					
33 kV	20.0 km	19.0km	17.0km	17.0km	17.0km
11 kV	235.0 km	231.0km	221.0km	197.0km	191.0km
400 V	624.0 km	606.0km	587.0km	519.0km	550.0km
<b>Total</b>	<b>879.0 km</b>	<b>856.0km</b>	<b>825.0km</b>	<b>733.0km</b>	<b>758.0km</b>
(d) Transformer capacity	510,900kVA	514,486kVA	485,300kVA	480,000kVA	461,000kVA
(e) Maximum demand	172,000kW	153,000kW	150,000kW	151,000kW	154,000kW
(f) Total customers	54,933	54,416	53,706	53,331	52,876
<b>Efficiency Performance Measures</b>					
(a) Direct line cost per kilometre	\$1,808	\$1,851	\$1,921	\$2,042	\$1,863
(b) Indirect line cost per customer	\$77	\$71	\$79	\$84	\$72

## Additional Notes

### FS1b – Related Parties Expenditure Note

\$000

#### Operational Expenditure

**\$8,948**

Maintenance expenditure on System Fixed Assets.

#### Other Related Parties Expenditure

**\$8,516**

Construction of new assets:-

(a) Subtransmission assets	\$ 215,729
(b) Zone Substations	\$ 251,029
(c) Distribution Lines and Cables	\$7,645,673
(d) Medium Voltage Switchgear	\$ 94,559
(e) Distribution Transformers	\$ 95,089
(f) Low Voltage Reticulation	\$ 26,460
(g) Scada & Communications	\$ 187,536

Network Maintenance and other services are provided in accordance with a Service Level Agreement.

- No balance is outstanding at balance date.
- No amounts have been written off or forgiven during the year.
- No transactions have been made at nil or nominal value.
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### FS1c - Operational Expenditure Note

Electricity Commission Levy	\$154,342	68%
Local Body Rates	\$ 48,110	21%
Commerce Commission Levy	\$ 24,198	11%
<b>Total</b>	<b>\$226,650</b>	