



**INFORMATION DISCLOSURE PREPARED
IN ACCORDANCE WITH
ELECTRICITY INFORMATION DISCLOSURE
DETERMINATION
UNDER PART 4 OF THE COMMERCE ACT 1986**

FOR THE YEAR ENDED 31 MARCH 2015

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1. INTRODUCTION

These Information Disclosure documents are submitted by Electricity Invercargill Limited pursuant to Part 4 of the Commerce Act 1986 in accordance with:

- The Electricity Information Disclosure Determination 2012 (consolidated in 2015), issued 24 March 2015,
- The Electricity Distribution Services Input Methodologies Determination 2012 (consolidated 2014), issued 30 March 2015,

2. INFORMATION DISCLOSURE DISCLAIMER

The information disclosed in this Information Disclosure package issued by Electricity Invercargill Limited has been prepared in accordance with the Determination listed above.

The Determination requires the information to be disclosed in the manner it is presented.

The information should not be used for any other purposes than that intended under the Determination.

The financial information presented is for the electricity distribution business as described within the Determination.

Due to rounding and automatic calculations in the spreadsheets there may be minor summing variances.

3. SCHEDULES

		Company Name	Electricity Invercargill Limited			
		For Year Ended	31 March 2015			
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.						
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	16,137	240	68,522	6,291	27,511
10	Network	4,906	73	20,833	1,913	8,364
11	Non-network	11,231	167	47,689	4,378	19,147
12						
13	Expenditure on assets	33,331	496	141,537	12,994	56,826
14	Network	33,331	496	141,537	12,994	56,826
15	Non-network	-	-	-	-	-
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	77,474	1,154			
20	Standard consumer line charge revenue	77,474	1,154			
21	Non-standard consumer line charge revenue	-	-			
22						
23	1(iii): Service intensity measures					
24						
25	Demand density	88				Maximum coincident system demand per km of circuit length (for supply) (kW/km)
26	Volume density	390				Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
27	Connection point density	26				Average number of ICPs per km of circuit length (for supply) (ICPs/km)
28	Energy intensity	14,892				Total energy delivered to ICPs per average number of ICPs (kWh/ICP)
29						
30	1(iv): Composition of regulatory income					
31						
32						
33						
34						
35						
36						
37						
38						
39						
40	1(v): Reliability					
41						
42	Interruption rate		4.08			Interruptions per 100 circuit km

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

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(ii).

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 13	31 Mar 14	31 Mar 15
		%	%	%
7	ROI – comparable to a post tax WACC			
8	Reflecting all revenue earned	5.33%	6.48%	6.85%
9	Excluding revenue earned from financial incentives	5.33%	6.48%	6.85%
10	Excluding revenue earned from financial incentives and wash-ups	5.33%	6.48%	6.85%
11				
12				
13				
14	Mid-point estimate of post tax WACC	5.85%	5.43%	6.10%
15	25th percentile estimate	5.13%	4.71%	5.39%
16	75th percentile estimate	6.56%	6.14%	6.82%
17				
18				
19	ROI – comparable to a vanilla WACC			
20	Reflecting all revenue earned	6.11%	7.17%	7.63%
21	Excluding revenue earned from financial incentives	6.11%	7.17%	7.63%
22	Excluding revenue earned from financial incentives and wash-ups	6.11%	7.17%	7.63%
23				
24	WACC rate used to set regulatory price path	8.77%	8.77%	8.77%
25				
26	Mid-point estimate of vanilla WACC	6.62%	6.11%	6.89%
27	25th percentile estimate	5.91%	5.39%	6.17%
28	75th percentile estimate	7.34%	6.83%	7.60%
29				
30	2(ii): Information Supporting the ROI			
31				(\$000)
32	Total opening RAB value	64,392		
33	plus Opening deferred tax	(1,911)		
34	Opening RIV		62,481	
35				
36	Line charge revenue		19,979	
37				
38	Expenses cash outflow	10,518		
39	add Assets commissioned	12,354		
40	less Asset disposals	73		
41	add Tax payments	1,607		
42	less Other regulated income	(15)		
43	Mid-year net cash outflows		24,420	
44				
45	Term credit spread differential allowance		–	
46				
47	Total closing RAB value	74,188		
48	less Adjustment resulting from asset allocation	0		
49	less Lost and found assets adjustment	–		
50	plus Closing deferred tax	(2,188)		
51	Closing RIV		72,000	
52				
53	ROI – comparable to a vanilla WACC			7.63%
54				
55	Leverage (%)			44%
56	Cost of debt assumption (%)			6.36%
57	Corporate tax rate (%)			28%
58				
59	ROI – comparable to a post tax WACC			6.85%
60				

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						7.40%
95							
96	Year-end ROI – comparable to a post tax WACC						6.61%
97							
98	<i>* 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.</i>						
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					-	
104	Energy efficiency and demand incentive allowance					-	
105	Quality incentive adjustment					-	
106	Other financial incentives					-	
107	Financial incentives						-
108							
109	Impact of financial incentives on ROI						-
110							
111	Input methodology claw-back					-	
112	Recoverable customised price-quality path costs					-	
113	Catastrophic event allowance					-	
114	Capex wash-up adjustment					-	
115	Transmission asset wash-up adjustment					-	
116	2013–2015 NPV wash-up allowance					-	
117	Reconsideration event allowance					-	
118	Other wash-ups					-	
119	Wash-up costs						-
120							
121	Impact of wash-up costs on ROI						-

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

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	19,979	
10	plus Gains / (losses) on asset disposals	(55)	
11	plus Other regulated income (other than gains / (losses) on asset disposals)	40	
12			
13	Total regulatory income	19,964	
14	Expenses		
15	less Operational expenditure	4,161	
16			
17	less Pass-through and recoverable costs excluding financial incentives and wash-ups	6,356	
18			
19	Operating surplus / (deficit)	9,446	
20			
21	less Total depreciation	2,539	
22			
23	plus Total revaluations	54	
24			
25	Regulatory profit / (loss) before tax	6,962	
26			
27	less Term credit spread differential allowance	-	
28			
29	less Regulatory tax allowance	1,884	
30			
31	Regulatory profit/(loss) including financial incentives and wash-ups	5,078	
32			
33	3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups		(\$000)
34	Pass through costs		
35	Rates	101	
36	Commerce Act levies	56	
37	Industry levies	33	
38	CPP specified pass through costs	-	
39	Recoverable costs excluding financial incentives and wash-ups		
40	Electricity lines service charge payable to Transpower	5,713	
41	Transpower new investment contract charges	453	
42	System operator services	-	
43	Distributed generation allowance	-	
44	Extended reserves allowance	-	
45	Other recoverable costs excluding financial incentives and wash-ups	-	
46	Pass-through and recoverable costs excluding financial incentives and wash-ups	6,356	
47			
48	3(iii): Incremental Rolling Incentive Scheme		(\$000)
49			
50		CY-1	CY
51	Allowed controllable opex	31 Mar 14	31 Mar 15
52	Actual controllable opex	-	-
53			
54	Incremental change in year		-
55			
56			Previous years' incremental change
57	CY-5 31 Mar 10	-	-
58	CY-4 31 Mar 11	-	-
59	CY-3 31 Mar 12	-	-
60	CY-2 31 Mar 13	-	-
61	CY-1 31 Mar 14	-	-
62	Net incremental rolling incentive scheme		-
63			
64	Net recoverable costs allowed under incremental rolling incentive scheme		-
65	3(iv): Merger and Acquisition Expenditure		(\$000)
66	Merger and acquisition expenditure		-
67			
68	<i>Provide commentary on the benefits of merger and acquisition expenditure to the electricity distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)</i>		
69	3(v): Other Disclosures		(\$000)
70			
71	Self-insurance allowance		-

Company Name **Electricity Invercargill Limited**
For Year Ended **31 March 2015**

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

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

sch ref		for year ended				
		RAB 31 Mar 11 (\$000)	RAB 31 Mar 12 (\$000)	RAB 31 Mar 13 (\$000)	RAB 31 Mar 14 (\$000)	RAB 31 Mar 15 (\$000)
7	4(i): Regulatory Asset Base Value (Rolled Forward)					
8						
9						
10	Total opening RAB value	61,248	62,748	63,829	65,348	64,392
11						
12	less Total depreciation	2,481	2,557	2,602	2,526	2,539
13						
14	plus Total revaluations	1,473	974	545	993	54
15						
16	plus Assets commissioned	2,629	3,145	3,716	1,426	12,354
17						
18	less Asset disposals	121	481	139	214	73
19						
20	plus Lost and found assets adjustment	-	-	-	-	-
21						
22	plus Adjustment resulting from asset allocation	-	-	-	(635)	0
23						
24	Total closing RAB value	62,748	63,829	65,348	64,392	74,188
25						
26	4(ii): Unallocated Regulatory Asset Base					
27						
28						
29	Total opening RAB value		64,392			64,392
30						
31	less Total depreciation		2,539			2,539
32						
33	plus Total revaluations		54			54
34						
35	plus Assets commissioned (other than below)					
36	Assets acquired from a regulated supplier					
37	Assets acquired from a related party		12,354		12,354	
38	Assets commissioned		12,354		12,354	12,354
39						
40	less Asset disposals (other than below)		64		64	
41	Asset disposals to a regulated supplier					
42	Asset disposals to a related party		6		6	
43	Asset disposals		73		73	73
44						
45	plus Lost and found assets adjustment					
46						
47	plus Adjustment resulting from asset allocation					0
48						
49	Total closing RAB value		74,188		74,188	74,188
50						
51						
52	4(iii): Calculation of Revaluation Rate and Revaluation of Assets					
53						
54	CPI _t					1,193
55	CPI _{t-1}					1,192
56	Revaluation rate (%)					0.08%
57						
58						
59	Total opening RAB value		64,392		64,392	
60						
61	less Opening value of fully depreciated, disposed and lost assets		91		91	
62						
63	Total opening RAB value subject to revaluation		64,301		64,301	
64						
65	Total revaluations		54		54	54
66	4(iv): Roll Forward of Works Under Construction					
67						
68	Works under construction—preceding disclosure year		5,003		5,003	
69	plus Capital expenditure		8,548		8,548	
70	less Assets commissioned		12,354		12,354	
71	plus Adjustment resulting from asset allocation					
72	Works under construction - current disclosure year		1,197		1,197	
73						
74	Highest rate of capitalised finance applied					
75						

* 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.

76	4(v): Regulatory Depreciation									
77										
78										
79	Depreciation - standard									
80	Depreciation - no standard life assets									
81	Depreciation - modified life assets									
82	Depreciation - alternative depreciation in accordance with CPP									
83	Total depreciation									
84										
85	4(vi): Disclosure of Changes to Depreciation Profiles									
86	Asset or assets with changes to depreciation*									
87										
88										
89										
90										
91										
92										
93										
94										
95										
	<i>* Include additional rows if needed</i>									
96	4(vii): Disclosure by Asset Category									
97										
98										
99	Total opening RAB value									
100	less Total depreciation									
101	plus Total revaluations									
102	plus Assets commissioned									
103	less Asset disposals									
104	plus Lost and found assets adjustment									
105	plus Adjustment resulting from asset allocation									
106	plus Asset category transfers									
107	Total closing RAB value									
108										
109	Asset Life									
110	Weighted average remaining asset life									
111	Weighted average expected total asset life									

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref			(\$000)
7	5a(i): Regulatory Tax Allowance		
8	Regulatory profit / (loss) before tax		6,962
9			
10	<i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable	-	*
11	Expenditure or loss in regulatory profit / (loss) before tax but not deductible	-	*
12	Amortisation of initial differences in asset values	1,325	
13	Amortisation of revaluations	191	
14			1,517
15			
16	<i>less</i> Total revaluations	54	
17	Income included in regulatory profit / (loss) before tax but not taxable	-	*
18	Discretionary discounts and customer rebates	-	
19	Expenditure or loss deductible but not in regulatory profit / (loss) before tax	1	*
20	Notional deductible interest	1,695	
21			1,751
22			
23	Regulatory taxable income		6,728
24			
25	<i>less</i> Utilised tax losses	-	
26	Regulatory net taxable income		6,728
27			
28	Corporate tax rate (%)	28%	
29	Regulatory tax allowance		1,884
30			
31	* Workings to be provided in Schedule 14		
32	5a(ii): Disclosure of Permanent Differences		
33	In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).		
34	5a(iii): Amortisation of Initial Difference in Asset Values		(\$000)
35			
36	Opening unamortised initial differences in asset values	30,485	
37	<i>less</i> Amortisation of initial differences in asset values	1,325	
38	<i>plus</i> Adjustment for unamortised initial differences in assets acquired	-	
39	<i>less</i> Adjustment for unamortised initial differences in assets disposed	-	
40	Closing unamortised initial differences in asset values		29,160
41			
42	Opening weighted average remaining useful life of relevant assets (years)		23
43			

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

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	3,055
10 Capital expenditure	8,596
11 Market value of asset disposals	7
12 Other related party transactions	

13 5b(ii): Entities Involved in Related Party Transactions

Name of related party	Related party relationship
15 PowerNet	50% Shareholding
16 Invercargill City Holdings Limited	Parent company 100% shareholding
17	
18	
19	

* include additional rows if needed

21 5b(iii): Related Party Transactions

Name of related party	Related party transaction type	Description of transaction	Value of transaction (\$000)	Basis for determining value
23 PowerNet	Capex	Builds network capex on behalf of line business	8,596	IM clause 2.2.11(5)(h)
24 Invercargill City Holdings Limited	Opex	Management Fee	146	ID clause 2.3.6(1)(a)
25 PowerNet	Opex	Completes maintenance on behalf of line business	1,265	ID clause 2.3.6(1)(f)
26 PowerNet	Opex	Performs some network opex labour	41	ID clause 2.3.6(1)(f)
27 PowerNet	Sales	Asset disposals	7	ID clause 2.3.7(2)(a)
28 PowerNet	Opex	Undertakes overhead activities on behalf of lines business	1,603	ID clause 2.3.6(1)(f)
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 **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

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

sch ref

7

8 **5c(i): Qualifying Debt (may be Commission only)**

9

10	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	
11											
12											
13											
14											
15											
16	* include additional rows if needed							-	-	-	-

17

18 **5c(ii): Attribution of Term Credit Spread Differential**

19

20	Gross term credit spread differential			-
21				
22	Total book value of interest bearing debt			
23	Leverage		44%	
24	Average opening and closing RAB values			
25	Attribution Rate (%)			-
26				
27	Term credit spread differential allowance			-

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

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

sch ref	5d(i): Operating Cost Allocations	Value allocated (\$000s)				OVABAA allocation increase (\$000s)
		Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	
9	Service interruptions and emergencies					
11	Directly attributable		524			
12	Not directly attributable					
13	Total attributable to regulated service		524			
14	Vegetation management					
15	Directly attributable		3			
16	Not directly attributable					
17	Total attributable to regulated service		3			
18	Routine and corrective maintenance and inspection					
19	Directly attributable		659			
20	Not directly attributable					
21	Total attributable to regulated service		659			
22	Asset replacement and renewal					
23	Directly attributable		79			
24	Not directly attributable					
25	Total attributable to regulated service		79			
26	System operations and network support					
27	Directly attributable		929			
28	Not directly attributable					
29	Total attributable to regulated service		929			
30	Business support					
31	Directly attributable		1,967			
32	Not directly attributable					
33	Total attributable to regulated service		1,967			
34						
35	Operating costs directly attributable		4,161			
36	Operating costs not directly attributable					
37	Operational expenditure		4,161			

sch ref	5d(ii): Other Cost Allocations	(5000)
40	Pass through and recoverable costs	
41	Pass through costs	
42	Directly attributable	190
43	Not directly attributable	
44	Total attributable to regulated service	190
45	Recoverable costs	
46	Directly attributable	6,167
47	Not directly attributable	
48	Total attributable to regulated service	6,167

sch ref	5d(iii): Changes in Cost Allocations* †	(5000)
52	Change in cost allocation 1	
53	Cost category	
54	Original allocator or line items	Original allocation
55	New allocator or line items	New allocation
56		Difference
57	Rationale for change	
58		
59		
60		
61	Change in cost allocation 2	
62	Cost category	
63	Original allocator or line items	Original allocation
64	New allocator or line items	New allocation
65		Difference
66	Rationale for change	
67		
68		
69		
70	Change in cost allocation 3	
71	Cost category	
72	Original allocator or line items	Original allocation
73	New allocator or line items	New allocation
74		Difference
75	Rationale for change	
76		
77		

* 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 **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

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

		Value allocated (\$000s)
		Electricity distribution services
10	Subtransmission lines	
11	Directly attributable	59
12	Not directly attributable	
13	Total attributable to regulated service	59
14	Subtransmission cables	
15	Directly attributable	6,500
16	Not directly attributable	
17	Total attributable to regulated service	6,500
18	Zone substations	
19	Directly attributable	12,809
20	Not directly attributable	
21	Total attributable to regulated service	12,809
22	Distribution and LV lines	
23	Directly attributable	1,557
24	Not directly attributable	
25	Total attributable to regulated service	1,557
26	Distribution and LV cables	
27	Directly attributable	37,120
28	Not directly attributable	
29	Total attributable to regulated service	37,120
30	Distribution substations and transformers	
31	Directly attributable	8,981
32	Not directly attributable	
33	Total attributable to regulated service	8,981
34	Distribution switchgear	
35	Directly attributable	3,928
36	Not directly attributable	
37	Total attributable to regulated service	3,928
38	Other network assets	
39	Directly attributable	3,234
40	Not directly attributable	
41	Total attributable to regulated service	3,234
42	Non-network assets	
43	Directly attributable	-
44	Not directly attributable	
45	Total attributable to regulated service	-
46	Regulated service asset value directly attributable	74,188
47	Regulated service asset value not directly attributable	-
48	Total closing RAB value	74,188

51 5e(ii): Changes in Asset Allocations* †

		(\$000)		
			CY-1	Current Year (CY)
53	Change in asset value allocation 1			
54	Asset category			
55	Original allocator or line items			
56	New allocator or line items			
57				
58	Rationale for change			
59				
60				
61				
62	Change in asset value allocation 2			
63	Asset category			
64	Original allocator or line items			
65	New allocator or line items			
66				
67	Rationale for change			
68				
69				
70				
71	Change in asset value allocation 3			
72	Asset category			
73	Original allocator or line items			
74	New allocator or line items			
75				
76	Rationale for change			
77				
78				

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

Company Name **Electricity Invercargill Limited**
For Year Ended **31 March 2015**

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		(\$000)	(\$000)
7	6a(i): Expenditure on Assets		
8	Consumer connection		27
9	System growth		6,739
10	Asset replacement and renewal		1,604
11	Asset relocations		-
12	Reliability, safety and environment:		
13	Quality of supply	92	
14	Legislative and regulatory	-	
15	Other reliability, safety and environment	134	
16	Total reliability, safety and environment		226
17	Expenditure on network assets		8,596
18	Expenditure on non-network assets		-
19			
20	Expenditure on assets		8,596
21	plus Cost of financing		-
22	less Value of capital contributions		48
23	plus Value of vested assets		-
24			
25	Capital expenditure		8,548
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	<i>Consumer types defined by EDB*</i>	(\$000)	(\$000)
32	Non Half Hour Individual	3	
33	Non Domestic	2	
34	Domestic	22	
35	[EDB consumer type]	-	
36	[EDB consumer type]	-	
37	* include additional rows if needed		
38	Consumer connection expenditure		27
39			
40	less Capital contributions funding consumer connection expenditure	25	
41	Consumer connection less capital contributions		1
42	6a(iv): System Growth and Asset Replacement and Renewal		
43		System Growth	Asset Replacement
44		(\$000)	and Renewal
45	Subtransmission	2,497	-
46	Zone substations	4,241	307
47	Distribution and LV lines	-	207
48	Distribution and LV cables	-	387
49	Distribution substations and transformers	-	444
50	Distribution switchgear	-	260
51	Other network assets	-	-
52	System growth and asset replacement and renewal expenditure	6,739	1,604
53	less Capital contributions funding system growth and asset replacement and renewal	-	22
54	System growth and asset replacement and renewal less capital contributions	6,739	1,582
55			
56	6a(v): Asset Relocations		
57	<i>Project or programme*</i>	(\$000)	(\$000)
58	[Description of material project or programme]	-	
59	[Description of material project or programme]	-	
60	[Description of material project or programme]	-	
61	[Description of material project or programme]	-	
62	[Description of material project or programme]	-	
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	-	
67	Asset relocations less capital contributions		-

68				
69	6a(vi): Quality of Supply			
70	<i>Project or programme*</i>		(\$000)	(\$000)
71	[Description of material project or programme]		-	
72	[Description of material project or programme]		-	
73	[Description of material project or programme]		-	
74	[Description of material project or programme]		-	
75	[Description of material project or programme]		-	
76	<i>* include additional rows if needed</i>			
77	All other projects programmes - quality of supply		92	
78	Quality of supply expenditure			92
79	<i>less</i> Capital contributions funding quality of supply		-	
80	Quality of supply less capital contributions			92
81	6a(vii): Legislative and Regulatory			
82	<i>Project or programme*</i>		(\$000)	(\$000)
83	[Description of material project or programme]		-	
84	[Description of material project or programme]		-	
85	[Description of material project or programme]		-	
86	[Description of material project or programme]		-	
87	[Description of material project or programme]		-	
88	<i>* include additional rows if needed</i>			
89	All other projects or programmes - legislative and regulatory		-	
90	Legislative and regulatory expenditure			-
91	<i>less</i> Capital contributions funding legislative and regulatory		-	
92	Legislative and regulatory less capital contributions			-
93	6a(viii): Other Reliability, Safety and Environment			
94	<i>Project or programme*</i>		(\$000)	(\$000)
95	Substation Safety		109	
96	[Description of material project or programme]		-	
97	[Description of material project or programme]		-	
98	[Description of material project or programme]		-	
99	[Description of material project or programme]		-	
100	<i>* include additional rows if needed</i>			
101	All other projects or programmes - other reliability, safety and environment		25	
102	Other reliability, safety and environment expenditure			134
103	<i>less</i> Capital contributions funding other reliability, safety and environment		-	
104	Other reliability, safety and environment less capital contributions			134
105				
106	6a(ix): Non-Network Assets			
107	Routine expenditure			
108	<i>Project or programme*</i>		(\$000)	(\$000)
109	[Description of material project or programme]		-	
110	[Description of material project or programme]		-	
111	[Description of material project or programme]		-	
112	[Description of material project or programme]		-	
113	[Description of material project or programme]		-	
114	<i>* include additional rows if needed</i>			
115	All other projects or programmes - routine expenditure		-	
116	Routine expenditure			-
117	Atypical expenditure			
118	<i>Project or programme*</i>		(\$000)	(\$000)
119	[Description of material project or programme]		-	
120	[Description of material project or programme]		-	
121	[Description of material project or programme]		-	
122	[Description of material project or programme]		-	
123	[Description of material project or programme]		-	
124	<i>* include additional rows if needed</i>			
125	All other projects or programmes - atypical expenditure		-	
126	Atypical expenditure			-
127				
128	Expenditure on non-network assets			-

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

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	524		
9	Vegetation management	3		
10	Routine and corrective maintenance and inspection	659		
11	Asset replacement and renewal	79		
12	Network opex		1,265	
13	System operations and network support	929		
14	Business support	1,967		
15	Non-network opex		2,896	
16				
17	Operational expenditure		4,161	
18	6b(ii): Subcomponents of Operational Expenditure (where known)			
19	Energy efficiency and demand side management, reduction of energy losses		125	
20	Direct billing*		-	
21	Research and development		-	
22	Insurance		93	
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers			

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

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
7	Line charge revenue	20,067	19,979	(0%)
7(ii): Expenditure on Assets		Forecast (\$000) ²	Actual (\$000)	% variance
9	Consumer connection	200	27	(87%)
10	System growth	7,823	6,739	(14%)
11	Asset replacement and renewal	2,317	1,604	(31%)
12	Asset relocations	6	–	(100%)
13	Reliability, safety and environment:			
14	Quality of supply	122	92	(24%)
15	Legislative and regulatory	–	–	–
16	Other reliability, safety and environment	156	134	(14%)
17	Total reliability, safety and environment	278	226	(19%)
18	Expenditure on network assets	10,624	8,596	(19%)
19	Expenditure on non-network assets	–	–	–
20	Expenditure on assets	10,624	8,596	(19%)
7(iii): Operational Expenditure				
22	Service interruptions and emergencies	716	524	(27%)
23	Vegetation management	1	3	88%
24	Routine and corrective maintenance and inspection	1,051	659	(37%)
25	Asset replacement and renewal	150	79	(47%)
26	Network opex	1,918	1,265	(34%)
27	System operations and network support	892	929	4%
28	Business support	2,118	1,967	(7%)
29	Non-network opex	3,010	2,896	(4%)
30	Operational expenditure	4,928	4,161	(16%)
7(iv): Subcomponents of Expenditure on Assets (where known)				
32	Energy efficiency and demand side management, reduction of energy losses	–	–	–
33	Overhead to underground conversion	–	–	–
34	Research and development	–	–	–
35				
36				
7(v): Subcomponents of Operational Expenditure (where known)				
37	Energy efficiency and demand side management, reduction of energy losses	125	125	–
38	Direct billing	–	–	–
39	Research and development	–	–	–
40	Insurance	133	93	(30%)
41				
42				

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)

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**
 Network / Sub-Network Name

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the 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)	Unit charging basis (eg, days, kW of demand, kVA of capacity, etc.)	Billed quantities by price component					
						Variable day energy sales	Variable day energy purchases				
						kWh	kWh				
Low user	Residential	Standard	4,287	25,811							
Domestic	Residential	Standard	10,842	106,350							
Non-Domestic	Commercial	Standard	2,009	49,777							
Individual non half hour	Commercial	Standard	53	8,183							
Individual half hour	Commercial	Standard	126	67,761							
		[Select one]									
		[Select one]									
		[Select one]									
		[Select one]									
		[Select one]									
<i>Add extra rows for additional consumer groups or price category codes as necessary</i>											
Standard consumer totals			17,317	257,881		49,731,885	152,869,101	--	--	--	--
Non-standard consumer totals			--	--		--	--	--	--	--	--
Total for all consumers			17,317	257,881		49,731,885	152,869,101	--	--	--	--

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

8(ii): Line Charge Revenues (\$000) by Price Component					Line charge revenues (\$000) by price component								
Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)	Total distribution line charge revenue	Total transmission line charge revenue (if available)	Rate (eg, \$ per day, \$ per kWh, etc.)	Fixed	Variable				
								\$/Day	\$/kwh				
Low user	Residential	Standard	\$2,321	-	\$1,675	\$645		\$20	\$2,301				
Domestic	Residential	Standard	\$9,495	-	\$6,767	\$2,728		\$3,433	\$6,062				
Non-Domestic	Commercial	Standard	\$4,648	-	\$3,356	\$1,292		\$1,813	\$2,835				
Individual non half hour	Commercial	Standard	\$527	-	\$331	\$196		\$61	\$466				
Individual half hour	Commercial	Standard	\$2,989	-	\$1,682	\$1,306		\$1,484	\$1,505				
		(Select one)	-	-									
		(Select one)	-	-									
		(Select one)	-	-									
		(Select one)	-	-									
		(Select one)	-	-									
Standard consumer totals			\$19,979	-	\$13,812	\$6,167		\$6,811	\$13,168	-	-	-	-
Non-standard consumer totals			-	-	-	-		-	-	-	-	-	-
Total for all consumers			\$19,979	-	\$13,812	\$6,167		\$6,811	\$13,168	-	-	-	-

Add extra rows for additional consumer groups or price category codes as necessary.

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

8(iii): Number of ICPS directly billed

Number of directly billed ICPS at year end

Check OK

Company Name Electricity Invercargill Limited

For Year Ended 31 March 2015

Network / Sub-network Name

SCHEDULE 9a: ASSET REGISTER

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

					Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1-4)
8	Voltage	Asset category	Asset class	Units				
9	All	Overhead Line	Concrete poles / steel structure	No.	658	660	2	3
10	All	Overhead Line	Wood poles	No.	339	329	(10)	3
11	All	Overhead Line	Other pole types	No.	-	-	-	N/A
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	1	1	-	3
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	10	15	4	3
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	12	12	-	3
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.	4	5	1	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	N/A
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	N/A
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	2	2	-	4
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	20	21	1	4
29	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	5	5	-	4
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	4	4	-	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	49	65	16	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	N/A
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	6	7	1	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	23	23	0	3
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	49	52	3	3
39	HV	Distribution Cable	Distribution UG PILC	km	110	107	(3)	3
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.	1	1	-	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	33	33	-	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	53	53	-	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.	457	458	1	3
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	13	13	-	3
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	432	435	3	3
48	HV	Distribution Transformer	Voltage regulators	No.	-	-	-	N/A
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	N/A
50	LV	LV Line	LV OH Conductor	km	30	30	(0)	3
51	LV	LV Cable	LV UG Cable	km	422	422	(0)	3
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	167	167	(0)	3
53	LV	Connections	OH/UG consumer service connections	No.	17,753	17,775	22	2
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	151	172	21	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	-	3
56	All	Capacitor Banks	Capacitors including controls	No.	-	-	-	N/A
57	All	Load Control	Centralised plant	Lot	1	1	-	4
58	All	Load Control	Relays	No.	-	-	-	N/A
59	All	Civils	Cable Tunnels	km	-	-	-	N/A

Company Name	Electricity Invercargill Limited
For Year Ended	31 March 2015
Network / Sub-network Name	

SCHEDULE 9b: ASSET AGE PROFILE

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

sch ref	Disclosure Year (year ended)	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)									
		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						
9	31 March 2015																																	
10	All	Overhead Line	Concrete poles / steel structure	No.				425	6			3	2	15	2	1	6	3	3	1	9	6	18	83	11	42	16			4	660		3	
11	All	Overhead Line	Wood poles	No.				272	3			3	11	12	7	6	8	4	1													329		3
12	All	Overhead Line	Other pole types	No.																														N/A
13	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km				0				1	0																		0	1		3
14	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km																														N/A
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km					4	2	5									0								4				15		3
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km				5	7		0																					12		3
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km																														N/A
18	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km																														N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km																														N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km																														N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km																														N/A
22	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km																														N/A
23	HV	Subtransmission Cable	Subtransmission submarine cable	km																														N/A
24	HV	Zone substation Buildings	Zone substations up to 66kV	No.				1	1	1	1																					5		4
25	HV	Zone substation Buildings	Zone substations 110kV+	No.																														N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.																														N/A
27	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.																														N/A
28	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.										2																		2		4
29	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.				10	8			1								1												21		4
30	HV	Zone substation switchgear	33kV RMU	No.																														N/A
31	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.									5																			5		4
32	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.				1		1											1	1										4		4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.				19	15	12	1	1				1													16			65		4
34	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.																														N/A
35	HV	Zone Substation Transformer	Zone Substation Transformers	No.				1	2	1																						7		4
36	HV	Distribution Line	Distribution OH Open Wire Conductor	km	0			0	12	5	2	3	0																		0	23		3
37	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km																														N/A
38	HV	Distribution Line	SWER conductor	km																														N/A
39	HV	Distribution Cable	Distribution UG XLPE or PVC	km				0	0	1	1	2	5	9	7	1	2	3	2	4	2	5	2	2	1	3	0	1			1	52		3
40	HV	Distribution Cable	Distribution UG PILC	km	2			2	17	25	35	19	3	2	0				1		0	2									0	107		3
41	HV	Distribution Cable	Distribution Submarine Cable	km																														N/A
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.								1																				1		4
43	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.				20	9	2											1			1								33		4
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.				3	12	3	4	1	2	1	1	2	3	1	1		1	1	2	6		3	1	1		4	53		3	
45	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.																														N/A
46	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.				8	30	49	119	63	14	20	19	5	7	15	7	17	28	17	10	13	6	4	3	4			458		3	
47	HV	Distribution Transformer	Pole Mounted Transformer	No.				1	3	1		1	1	1	1				1		1	1										13		3
48	HV	Distribution Transformer	Ground Mounted Transformer	No.				1	7	42	39	72	74	8	16	15	13	7	17	11	12	10	13	15	19	20	10	14	2			435		3
49	HV	Distribution Transformer	Voltage regulators	No.																														N/A
50	HV	Distribution Substations	Ground Mounted Substation Housing	No.																														N/A
51	LV	LV Line	LV OH Conductor	km				0	4	0	2	1	17		3	1	0	0	0		0	0		0	0	0	0				30		3	
52	LV	LV Cable	LV UG Cable	km	1			9	51	75	112	65	13	16	21	6	10	6	9	5	7	6	3	5	2	1	0	0		1	422		3	
53	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	3	0	1	1	15	4	23	89	20	3	3	0	0	1	0	1	2	1	1	1	1	0	1	0	0		1	167		3
54	LV	Connections	OH/LV consumer service connections	No.				3	117	2,273	4,046	3,701	5,619	42	57	62	202	270	284	205	214	137	101	109	101	91	62	65	12		2	17,775	3,624	2
55	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.				54	41	42	1	4					2				1											172		3
56	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot																												1		3
57	All	Capacitor Banks	Capacitors including controls	No.																														N/A
58	All	Load Control	Centralised plant	Lot																												1		4
59	All	Load Control	Relays	No.																														N/A
60	All	Civils	Cable Tunnels	km																														N/A

Company Name **Electricity Invercargill Limited**For Year Ended **31 March 2015**

Network / Sub-network Name

SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES

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

sch ref		Overhead (km)		Underground (km)	Total circuit length (km)
9					
10	Circuit length by operating voltage (at year end)				
11	> 66kV	–	–	–	–
12	50kV & 66kV	–	–	–	–
13	33kV	1	26	28	28
14	SWER (all SWER voltages)	–	–	–	–
15	22kV (other than SWER)	–	–	–	–
16	6.6kV to 11kV (inclusive—other than SWER)	23	159	182	182
17	Low voltage (< 1kV)	30	422	452	452
18	Total circuit length (for supply)	54	607	662	662
19					
20	Dedicated street lighting circuit length (km)	26	141		167
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)				–
22					
23	Overhead circuit length by terrain (at year end)				
24	Urban	51			93%
25	Rural	2			3%
26	Remote only	–			–
27	Rugged only	2			3%
28	Remote and rugged	–			–
29	Unallocated overhead lines	–			–
30	Total overhead length	54			100%
31					
32					
33	Length of circuit within 10km of coastline or geothermal areas (where known)	663			100%
34					
35	Overhead circuit requiring vegetation management	4			6%

Company Name **Electricity Invercargill Limited**
 For Year Ended **31 March 2015**

SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS

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

sch ref

	Location *	Number of ICPs served	Line charge revenue (\$000)
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

* Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network

Company Name **Electricity Invercargill Limited**For Year Ended **31 March 2015**

Network / Sub-network Name

SCHEDULE 9e: REPORT ON NETWORK DEMAND

This schedule requires a summary of the key measures of network utilisation for the disclosure year (number of new connections including distributed generation, peak demand and electricity volumes conveyed).

sch ref

8	9e(i): Consumer Connections		
9	<i>Number of ICPs connected in year by consumer type</i>		
10	<i>Consumer types defined by EDB*</i>	Number of connections (ICPs)	
11	Low User	4	
12	Domestic	31	
13	Non domestic	15	
14	Non - half hour Individual	-	
15	Half hour Individual	-	
16	<i>* include additional rows if needed</i>		
17	Connections total	50	
18			
19	Distributed generation		
20	Number of connections made in year	21	connections
21	Capacity of distributed generation installed in year	0.08	MVA
22	9e(ii): System Demand		
23			
24		Demand at time of maximum coincident demand (MW)	
25	Maximum coincident system demand		
26	GXP demand	58	
27	plus Distributed generation output at HV and above	-	
28	Maximum coincident system demand	58	
29	less Net transfers to (from) other EDBs at HV and above	(2)	
30	Demand on system for supply to consumers' connection points	61	
31	Electricity volumes carried	Energy (GWh)	
32	Electricity supplied from GXPs	256	
33	less Electricity exports to GXPs	-	
34	plus Electricity supplied from distributed generation	0	
35	less Net electricity supplied to (from) other EDBs	(17)	
36	Electricity entering system for supply to consumers' connection points	273	
37	less Total energy delivered to ICPs	258	
38	Electricity losses (loss ratio)	15	5.6%
39			
40	Load factor	0.51	
41	9e(iii): Transformer Capacity		
42		(MVA)	
43	Distribution transformer capacity (EDB owned)	151	
44	Distribution transformer capacity (Non-EDB owned, estimated)	2	
45	Total distribution transformer capacity	153	
46			
47	Zone substation transformer capacity	94	

Company Name **Electricity Invercargill Limited**For Year Ended **31 March 2015**

Network / Sub-network Name

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

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

sch ref

10(i): Interruptions		Number of interruptions		
8	10(i): Interruptions			
9	Interruptions by class			
10	Class A (planned interruptions by Transpower)	–		
11	Class B (planned interruptions on the network)	2		
12	Class C (unplanned interruptions on the network)	25		
13	Class D (unplanned interruptions by Transpower)	–		
14	Class E (unplanned interruptions of EDB owned generation)	–		
15	Class F (unplanned interruptions of generation owned by others)	–		
16	Class G (unplanned interruptions caused by another disclosing entity)	–		
17	Class H (planned interruptions caused by another disclosing entity)	–		
18	Class I (interruptions caused by parties not included above)	–		
19	Total	27		
20				
21	Interruption restoration	≤3Hrs	>3hrs	
22	Class C interruptions restored within	19	6	
23				
24	SAIFI and SAIDI by class	SAIFI	SAIDI	
25	Class A (planned interruptions by Transpower)	–	–	
26	Class B (planned interruptions on the network)	0.00	1.0	
27	Class C (unplanned interruptions on the network)	0.79	40.4	
28	Class D (unplanned interruptions by Transpower)	–	–	
29	Class E (unplanned interruptions of EDB owned generation)	–	–	
30	Class F (unplanned interruptions of generation owned by others)	–	–	
31	Class G (unplanned interruptions caused by another disclosing entity)	–	–	
32	Class H (planned interruptions caused by another disclosing entity)	–	–	
33	Class I (interruptions caused by parties not included above)	–	–	
34	Total	0.79	41.3	
35				
36	Normalised SAIFI and SAIDI	Normalised SAIFI	Normalised SAIDI	
37	Classes B & C (interruptions on the network)	0.79	41.3	
38				
39	Quality path normalised reliability limit	SAIFI reliability limit	SAIDI reliability limit	
40	SAIFI and SAIDI limits applicable to disclosure year*	1.13	45.7	
41	* not applicable to exempt EDBs			
42	10(ii): Class C Interruptions and Duration by Cause			
43				
44	Cause	SAIFI	SAIDI	
45	Lightning	–	–	
46	Vegetation	–	–	
47	Adverse weather	0.06	0.1	
48	Adverse environment	0.00	0.2	
49	Third party interference	0.00	0.3	
50	Wildlife	–	–	
51	Human error	0.09	4.4	
52	Defective equipment	0.63	35.3	
53	Cause unknown	0.01	0.2	
54				
55	10(iii): Class B Interruptions and Duration by Main Equipment Involved			
56				
57	Main equipment involved	SAIFI	SAIDI	
58	Subtransmission lines			
59	Subtransmission cables			
60	Subtransmission other			
61	Distribution lines (excluding LV)	0.00	1.0	
62	Distribution cables (excluding LV)			
63	Distribution other (excluding LV)			
64	10(iv): Class C Interruptions and Duration by Main Equipment Involved			
65				
66	Main equipment involved	SAIFI	SAIDI	
67	Subtransmission lines	0.06	0.1	
68	Subtransmission cables	–	–	
69	Subtransmission other	–	–	
70	Distribution lines (excluding LV)	0.35	28.7	
71	Distribution cables (excluding LV)	0.38	11.3	
72	Distribution other (excluding LV)	0.00	0.2	
73	10(v): Fault Rate			
74	Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
75	Subtransmission lines	1	1	71.94
76	Subtransmission cables	–	22	–
77	Subtransmission other	–	–	–
78	Distribution lines (excluding LV)	14	29	48.28
79	Distribution cables (excluding LV)	9	150	6.00
80	Distribution other (excluding LV)	1	–	–
81	Total	25		

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

Electricity Invercargill Limited achieved a post-tax WACC of 6.85% in line with the 75th percentile estimate of post-tax WACC of 6.82% and a 7.63% vanilla WACC in line with the 75th percentile estimate of vanilla WACC of 7.60%.

No items were 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

Included in other regulated income is an amount of \$40k for line charges to another lines company.

No items were reclassified in the disclosure 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

There were no merger or acquisition expenses incurred in the disclosure 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 calculation of the Regulatory Asset Base was stated using the 31 March 2014 closing figure as a starting point with inflationary indexing over the year to 31 March 2015 plus additions less disposals. Additions included the acquired assets of InverNet.

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

The expenditure deductible but not in regulatory profit is the \$1k cost of easements which is a tax deductible expense.

Income included in regulatory profit / (loss) before tax but not taxable is the \$54k revaluations for the year.

There are no other permanent differences.

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

Temporary differences are the tax effect of the difference between the tax and disclosure treatment of capital contribution income.

Taxable Capital Contributions:	\$ 34
	<u>\$ 34</u>
Tax Rate:	28%
Temporary Differences	<u>\$ 9</u>

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

PowerNet Limited is an incorporated break even joint venture owned 50% by The Power Company Limited and 50% by Electricity Invercargill Limited.

PowerNet Limited carries out project management and asset construction to develop Electricity Invercargill Limited's electricity network.

Invercargill City Holdings Limited owns 100% of Electricity Invercargill Limited and provides treasury facility and debt management services to Electricity Invercargill Limited electricity distribution business.

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

All costs are directly attributable as all costs were either passed through by PowerNet as agent or were invoiced to Electricity Invercargill Limited.

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

All network assets are directly attributable.

Capital Expenditure for the Disclosure Year (Schedule 6a)

13. In the box below, comment on capital expenditure for the disclosure year, as disclosed in Schedule 6a. This comment must include-
- 13.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;
 - 13.2 information on reclassified items in accordance with subclause 2.7.1(2),

Box 10: Explanation of capital expenditure for the disclosure year

The materiality threshold applied to identify programmes or projects during the disclosure year was \$100k.

No items were reclassified during the disclosure year.

Operational Expenditure for the Disclosure Year (Schedule 6b)

14. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-
- 14.1 Commentary on assets replaced or renewed with asset replacement and renewal operating expenditure, as reported in 6b(i) of Schedule 6b;
 - 14.2 Information on reclassified items in accordance with 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

Reactive and minor maintenance is performed on Electricity Invercargill Limited's transformers and cables and this is classified as refurbishment and renewal maintenance when the work performed is not material in relation to the overall value of the asset.

There was no material atypical expenditure disclosed in Schedule 6b.

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

No items were reclassified during the disclosure year. Refer to each classification under point 13 and 14 above.

Capital Expenditure on Assets:

The actual expenditure on network assets was 19% under budget.

Consumer connection:

- 87% underspent on customer connections as rate of new connections was lower than typical.

System Growth:

- 14% underspent due to delays in securing specialist design affecting project sequencing and re-evaluation of most economic options.

Asset replacement and renewal:

- 31% underspent with inspections identifying limited work and reactive budgets not required. Seismic remediation delayed due to assessment quality.

Asset Relocations:

- No asset relocation during the year.

Reliability, Safety and Environment:

- 19% underspent due to design quality delays and resourcing constraints.

Operational Expenditure:

Network opex was 34% below budget.

Service interruptions and emergencies:

- 27% underspent with reactive work lower than expected.

Vegetation management:

- 88% above budget due to reactive work higher than expected.

Routine and corrective maintenance and inspection:

- 37% underspent with reactive work lower than expected. Scope for oil cable maintenance was modified resulting in some projects being capitalised.

Asset replacement and renewal:

- 47% underspent with inspections identifying limited work and reactive budgets not required.

System Operations and Network Support:

- 4% underspent which is a minor variation representing \$114k less operational expenditure during the year.

Information relating to revenue and quantities for the disclosure year

16. In the box below provide-
- 16.1 a comparison of the target revenue disclosed before the start of the disclosure year, in accordance with 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

Year ended 31 March 2015:

- Target revenue for the 2014-15 year was \$20,067k. The total billed revenue for the 2014-15 year was \$19,979k, a minimal variation.

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

The SAIDI and SAIFI performance for 2014/15 were both below the Commerce Commission limits respectively but were above the results for 2012/13 and 2013/14.

Due to the low number of outages that occur on the network normalisation of major events only occurs when 89% of the SAIDI limit is exceeded, therefore an outage of any significance is not normalised. An outage in excess of 30% of the annual SAIDI limit occurred at the Bluff substation in January 2015, this was not able to be normalised as it was below the 89% boundary.

In past years the network has had some significant outages in the same year which leads to exceeding of SAIDI limits. This year the network performed satisfactorily with a SAIDI of 41.35 minutes for the full year and a SAIFI of 0.79 times per customer per year.

Network reliability is compliant with quality requirements under the default price-quality path, however there are inherent limitations in the ability of Electricity Invercargill Limited to collect and record the network reliability information required to be disclosed in Reports 10(i) to 10(iv). Consequently there is no independent evidence available to support the completeness and accuracy of recorded faults and control over the completeness and accuracy of installation control point ('ICP') data, included in the SAIDI and SAIFI calculations, is limited throughout the year.

Insurance cover

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

Box 15: Explanation of insurance cover

Electricity Invercargill Limited insures its substations, network equipment and buildings.

- Substations and network equipment are insured for \$15.27 million.

Lines and cables are un-insured; the cost of covering this risk through insurance is regarded as too expensive relative to the risk. This is particularly so in the context that an EDB can possibly recover prudent costs including rectifying for catastrophic events through the customised price path and claw back mechanisms.

Electricity Invercargill Limited does not self-insure and doesn't recognise the cost of self-insurance.

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 amendments were disclosed.

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

Inflationary assumptions were used to calculate the nominal prices in the forecast.

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

Nominal Prices are based on economic assumptions provided by Electricity Networks Association (ENA) on March 2014 as follows:

	2015	2016	2017	2018	2019
Inflator (CAPEX)	4.2%	8.4%	6.2%	4.4%	3.1%
Inflator (OPEX)	3.3%	3.5%	3.6%	3.8%	3.8%

Forecasts are in line with the business plan projections and explanations outlined in the Asset Management Plan.

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

None.

4. AUDITORS' REPORT



Independent Auditor's Report

To the Directors of Electricity Invercargill Limited and to the Commerce Commission

The Auditor-General is the auditor of Electricity Invercargill Limited (the company). The Auditor-General has appointed me, Robert Harris, using the staff and resources of PricewaterhouseCoopers, to provide an opinion, on her behalf, on whether Schedules 1 to 4, 5a to 5g, 6a and 6b, 7, the SAIDI and SAIFI information disclosed in Schedule 10 and the explanatory notes in boxes 1 to 12 in Schedule 14 ('the Disclosure Information') for the disclosure year ended 31 March 2015, have been prepared, in all material respects, in accordance with the Electricity Distribution Disclosure Information Determination 2012 (the 'Determination').

Directors' responsibility for the Disclosure Information

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

Auditor's responsibility for the Disclosure Information

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

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

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

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

An audit also involves evaluating:

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



Use of this report

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

Scope and inherent limitations

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

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

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

Independence

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

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

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

As described in Box 14 of Schedule 14, there are inherent limitations in the ability of the Company to collect and record the network reliability information required to be disclosed in Schedules 10(i) to 10(iv). Consequently there is no independent evidence available to support the completeness and accuracy of recorded faults and control over the completeness and accuracy of interconnection point ('ICP') data included in the SAIDI and SAIFI calculations is limited throughout the year.

There are no practical audit procedures that we could adopt to confirm independently that all the faults and ICP data was properly recorded for the purposes of inclusion in the amounts relating to quality measures set out in Schedules 10(i) to 10(iv). Because of the potential effect of the limitations described above, we are unable to form an opinion as to the completeness and accuracy of the data that forms the basis of the compilation of Schedules 10(i) to 10(iv).

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

**Qualified Opinion**

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

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

A handwritten signature in blue ink, appearing to read 'Robert Harris', is positioned above the typed name.

Robert Harris
PricewaterhouseCoopers
On behalf of the Auditor-General
Dunedin, New Zealand
28 August 2015

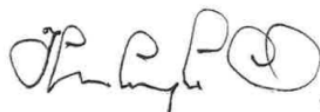
5. DIRECTORS' CERTIFICATE**Schedule 18: Certification for Year-End Disclosures**

Clause 2.9.2

We, Neil Douglas Boniface and Thomas Campbell, being directors of Electricity Invercargill 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, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2; and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and
- b) the historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, and 14 has been properly extracted from the Electricity Invercargill 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 subclauses 2.3.6(1) (when valued in accordance with clause 2.2.11(5)(h)(ii) of the Electricity Distribution Services Input Methodologies Determination 2010), 2.3.6(1)(f) and 2.3.7(2)(b), we certify that, having made all reasonable enquiry, including enquiries of our related parties, we are satisfied that to the best of our knowledge and belief the costs and revenues recorded for related party transactions reasonably reflect the price or prices that would have been paid or received had these transactions been at arm's-length.



Neil Douglas Boniface

Thomas Campbell

27 AUGUST 2015