



THEPOWERCOMPANYLTD

**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

CONTENTS

1.	Introduction	2
2.	Disclaimer	2
3.	Schedules.....	3
	i. Schedule 1 – Analytical Ratios.....	3
	ii. Schedule 2 – Return on Investment.....	4-5
	iii. Schedule 3 – Regulatory Profit.....	6
	iv. Schedule 4 – Value of the Regulatory Asset Base (rolled forward)	7-8
	v. Schedule 5a – Regulatory Tax Allowance.....	9-10
	vi. Schedule 5b – Related Party Transactions	11
	vii. Schedule 5c – Term Credit Spread Differential allowance	12
	viii. Schedule 5d – Cost Allocations	13
	ix. Schedule 5e – Asset Allocations	14
	x. Schedule 6a – Capital Expenditure for the Disclosure Year	15-16
	xi. Schedule 6b – Operational Expenditure for the Disclosure Year.....	17
	xii. Schedule 7 – Comparison of Forecasts to Actual Expenditure.....	18
	xiii. Schedule 8 – Billed Quantities and Line Charge Revenue	19-20
	xiv. Schedule 9a – Asset Register.....	21
	xv. Schedule 9b – Asset Age Profile.....	22
	xvi. Schedule 9c – Overhead lines and Underground cables.....	23
	xvii. Schedule 9d – Embedded Networks.....	24
	xviii. Schedule 9e – Network Demand	25
	xix. Schedule 10 – Network Reliability.....	26
	xx. Schedule 14 – Mandatory Explanatory Notes	27-34
	xxi. Schedule 14a – Mandatory Explanatory Notes on Forecast Information.....	35
	xxii. Schedule 15 – Voluntary Explanatory Notes.....	36
4.	Auditors’ Report	37-38
5.	Directors’ Certificate	39

1. INTRODUCTION

These Information Disclosure documents are submitted by The Power Company 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 in 2014), issued 30 March 2015.

2. INFORMATION DISCLOSURE DISCLAIMER

The information disclosed in this Information Disclosure package issued by The Power Company 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	The Power Company 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.					
sch ref					
7	1(i): Expenditure metrics				
8		Expenditure per GWh energy delivered to ICPs (\$/GWh)	Expenditure per average no. of ICPs (\$/ICP)	Expenditure per MW maximum coincident system demand (\$/MW)	Expenditure per MVA of capacity from EDB-owned distribution transformers (\$/MVA)
9	Operational expenditure	20,508	411	108,193	34,892
10	Network	14,691	294	77,503	24,995
11	Non-network	5,817	117	30,689	9,897
12					
13	Expenditure on assets	35,750	716	188,603	60,824
14	Network	35,750	716	188,603	60,824
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	80,690	1,616		
20	Standard consumer line charge revenue	86,299	1,439		
21	Non-standard consumer line charge revenue	52,815	1,554,402		
22					
23	1(iii): Service intensity measures				
24					
25	Demand density	15			Maximum coincident system demand per km of circuit length (for supply) (kW/km)
26	Volume density	80			Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
27	Connection point density	4			Average number of ICPs per km of circuit length (for supply) (ICPs/km)
28	Energy intensity	20,029			Total energy delivered to ICPs per average number of ICPs (kWh/ICP)
29					
30	1(iv): Composition of regulatory income				
31					
32			(\$000)	% of revenue	
33	Operational expenditure		14,414	25.46%	
34	Pass-through and recoverable costs excluding financial incentives and wash-ups		16,413	28.99%	
35	Total depreciation		11,941	21.09%	
36	Total revaluations		264	0.47%	
37	Regulatory tax allowance		1,871	3.30%	
38	Regulatory profit/(loss) including financial incentives and wash-ups		12,248	21.63%	
39	Total regulatory income		56,622		
40					
41	1(v): Reliability				
42	Interruption rate		15.42		Interruptions per 100 circuit km

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
		%	%	%
ROI – comparable to a post tax WACC				
	Reflecting all revenue earned	4.55%	4.00%	3.17%
	Excluding revenue earned from financial incentives	4.55%	4.00%	3.17%
	Excluding revenue earned from financial incentives and wash-ups	4.55%	4.00%	3.17%
Mid-point estimate of post tax WACC				
	25th percentile estimate	5.85%	5.43%	6.10%
	75th percentile estimate	5.13%	4.71%	5.39%
		6.56%	6.14%	6.82%
ROI – comparable to a vanilla WACC				
	Reflecting all revenue earned	5.33%	4.69%	3.95%
	Excluding revenue earned from financial incentives	5.33%	4.69%	3.95%
	Excluding revenue earned from financial incentives and wash-ups	5.33%	4.69%	3.95%
WACC rate used to set regulatory price path		NA	NA	NA
Mid-point estimate of vanilla WACC				
	25th percentile estimate	6.62%	6.11%	6.89%
	75th percentile estimate	5.91%	5.39%	6.17%
		7.34%	6.83%	7.60%
2(ii): Information Supporting the ROI		(\$000)		
	Total opening RAB value	315,316		
	plus Opening deferred tax	(8,458)		
	Opening RIV		306,858	
	Line charge revenue		56,711	
	Expenses cash outflow	30,827		
	add Assets commissioned	22,169		
	less Asset disposals	663		
	add Tax payments	(97)		
	less Other regulated income	(89)		
	Mid-year net cash outflows		52,325	
	Term credit spread differential allowance		-	
	Total closing RAB value	325,146		
	less Adjustment resulting from asset allocation	0		
	less Lost and found assets adjustment	-		
	plus Closing deferred tax	(10,426)		
	Closing RIV		314,720	
	ROI – comparable to a vanilla WACC			3.95%
	Leverage (%)			44%
	Cost of debt assumption (%)			6.36%
	Corporate tax rate (%)			28%
	ROI – comparable to a post tax WACC			3.17%

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						3.85%
95							
96	Year-end ROI – comparable to a post tax WACC						3.07%
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 **The Power Company 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

3(i): Regulatory Profit		(\$000)
7	Income	
8	Line charge revenue	56,711
10	plus Gains / (losses) on asset disposals	(607)
11	plus Other regulated income (other than gains / (losses) on asset disposals)	518
13	Total regulatory income	56,622
14	Expenses	
15	less Operational expenditure	14,414
17	less Pass-through and recoverable costs excluding financial incentives and wash-ups	16,413
19	Operating surplus / (deficit)	25,796
21	less Total depreciation	11,941
23	plus Total revaluations	264
25	Regulatory profit / (loss) before tax	14,119
27	less Term credit spread differential allowance	-
29	less Regulatory tax allowance	1,871
31	Regulatory profit/(loss) including financial incentives and wash-ups	12,248

3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups		(\$000)
34	Pass through costs	
35	Rates	165
36	Commerce Act levies	40
37	Industry levies	140
38	CPP specified pass through costs	-
39	Recoverable costs excluding financial incentives and wash-ups	
40	Electricity lines service charge payable to Transpower	15,854
41	Transpower new investment contract charges	214
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	16,413

3(iii): Incremental Rolling Incentive Scheme		(\$000)	
		CY-1 31 Mar 14	CY 31 Mar 15
51	Allowed controllable opex	-	-
52	Actual controllable opex	-	-
54	Incremental change in year	-	
		Previous years' incremental change	
		Previous years' incremental change	adjusted for inflation
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	-	
64	Net recoverable costs allowed under incremental rolling incentive scheme	-	

3(iv): Merger and Acquisition Expenditure		(\$000)
66	Merger and acquisition expenditure	-
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>	

3(v): Other Disclosures		(\$000)
71	Self-insurance allowance	-

Company Name **The Power Company 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	4(i): Regulatory Asset Base Value (Rolled Forward)	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						
8						
9						
10	Total opening RAB value	293,425	297,839	299,707	306,568	315,316
11						
12	less Total depreciation	12,350	12,296	12,583	11,626	11,941
13						
14	plus Total revaluations	7,065	4,656	2,584	4,671	264
15						
16	plus Assets commissioned	10,323	10,306	17,357	17,755	22,169
17						
18	less Asset disposals	624	798	477	751	663
19						
20	plus Lost and found assets adjustment	-	-	-	-	-
21						
22	plus Adjustment resulting from asset allocation	-	-	-	(1,300)	0
23						
24	Total closing RAB value	297,839	299,707	306,568	315,316	325,146
25						
26						
27	4(ii): Unallocated Regulatory Asset Base					
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49						
50						

* 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.

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										
60	Total opening RAB value									
61	less Opening value of fully depreciated, disposed and lost assets									
62										
63	Total opening RAB value subject to revaluation									
64	Total revaluations									
65										
66	4(iv): Roll Forward of Works Under Construction									
67										
68	Works under construction—preceding disclosure year									
69	plus Capital expenditure									
70	less Assets commissioned									
71	plus Adjustment resulting from asset allocation									
72	Works under construction - current disclosure year									
73										
74	Highest rate of capitalised finance applied									
75										
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										
87										
88										
89										
90										
91										
92										
93										
94										
95										
96										
97	4(vii): Disclosure by Asset Category									
98										
99										
100	Total opening RAB value									
101	less Total depreciation									
102	plus Total revaluations									
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									(years)
111	Weighted average expected total asset life									(years)

Company Name **The Power Company 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

5a(i): Regulatory Tax Allowance			(\$000)
7	Regulatory profit / (loss) before tax		14,119
8			
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	7,238	
13	Amortisation of revaluations	850	
14			8,087
15			
16	<i>less</i> Total revaluations	264	
17	Income included in regulatory profit / (loss) before tax but not taxable	-	*
18	Discretionary discounts and customer rebates	6,900	
19	Expenditure or loss deductible but not in regulatory profit / (loss) before tax	33	*
20	Notional deductible interest	8,326	
21			15,523
22			
23	Regulatory taxable income		6,683
24			
25	<i>less</i> Utilised tax losses	-	
26	Regulatory net taxable income		6,683
27			
28	Corporate tax rate (%)	28%	
29	Regulatory tax allowance		1,871

* Workings to be provided in Schedule 14

5a(ii): Disclosure of Permanent Differences

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

5a(iii): Amortisation of Initial Difference in Asset Values			(\$000)
34	Opening unamortised initial differences in asset values	166,464	
35			
36	<i>less</i> Amortisation of initial differences in asset values	7,238	
37	<i>plus</i> Adjustment for unamortised initial differences in assets acquired	-	
38	<i>less</i> Adjustment for unamortised initial differences in assets disposed	490	
39	Closing unamortised initial differences in asset values		158,736
40			
41			
42	Opening weighted average remaining useful life of relevant assets (years)		23
43			

44	5a(iv): Amortisation of Revaluations		(\$000)
45			
46	Opening sum of RAB values without revaluations	293,346	
47			
48	Adjusted depreciation	11,091	
49	Total depreciation	11,941	
50	Amortisation of revaluations		850
51			
52	5a(v): Reconciliation of Tax Losses		(\$000)
53			
54	Opening tax losses	-	
55	plus Current period tax losses	-	
56	less Utilised tax losses	-	
57	Closing tax losses		-
58	5a(vi): Calculation of Deferred Tax Balance		(\$000)
59			
60	Opening deferred tax	(8,458)	
61			
62	plus Tax effect of adjusted depreciation	3,105	
63			
64	less Tax effect of tax depreciation	3,168	
65			
66	plus Tax effect of other temporary differences*	244	
67			
68	less Tax effect of amortisation of initial differences in asset values	2,027	
69			
70	plus Deferred tax balance relating to assets acquired in the disclosure year	-	
71			
72	less Deferred tax balance relating to assets disposed in the disclosure year	122	
73			
74	plus Deferred tax cost allocation adjustment	(0)	
75			
76	Closing deferred tax		(10,426)
77			
78	5a(vii): Disclosure of Temporary Differences		
79			
80	<i>In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).</i>		
81	5a(viii): Regulatory Tax Asset Base Roll-Forward		
82			(\$000)
83	Opening sum of regulatory tax asset values	109,946	
84	less Tax depreciation	11,316	
85	plus Regulatory tax asset value of assets commissioned	23,696	
86	less Regulatory tax asset value of asset disposals	256	
87	plus Lost and found assets adjustment	-	
88	plus Adjustment resulting from asset allocation	-	
89	plus Other adjustments to the RAB tax value	-	
90	Closing sum of regulatory tax asset values		122,071

Company Name **The Power Company 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

5b(i): Summary—Related Party Transactions

(\$000)

Total regulatory income	-
Operational expenditure	13,378
Capital expenditure	25,126
Market value of asset disposals	32
Other related party transactions	-

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

Name of related party	Related party relationship
PowerNet Limited	50% shareholding

** include additional rows if needed*

5b(iii): Related Party Transactions

Name of related party	Related party transaction type	Description of transaction	Value of transaction (\$000)	Basis for determining value
PowerNet Limited	Capex	Builds network capex on behalf of line business	25,126	IM clause 2.2.11(5)(h)
PowerNet Limited	Opex	Completes maintenance on behalf of lines business	10,325	ID clause 2.3.6(1)(f)
PowerNet Limited	Opex	Undertakes overhead activities (agency costs) on behalf of lines business	3,053	ID clause 2.3.6(1)(f)
PowerNet Limited	Sales	Purchase transformer assets	32	ID clause 2.3.7(2)(a)
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]

** include additional rows if needed*

Company Name **The Power Company 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 **The Power Company Limited**
For Year Ended **31 March 2015**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDs 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)				
		Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase (\$000s)
9	Service interruptions and emergencies					
10	Directly attributable		4,346			
11	Not directly attributable					
12	Total attributable to regulated service		4,346			
13	Vegetation management					
14	Directly attributable		1,541			
15	Not directly attributable					
16	Total attributable to regulated service		1,541			
17	Routine and corrective maintenance and inspection					
18	Directly attributable		3,152			
19	Not directly attributable					
20	Total attributable to regulated service		3,152			
21	Asset replacement and renewal					
22	Directly attributable		1,286			
23	Not directly attributable					
24	Total attributable to regulated service		1,286			
25	System operations and network support					
26	Directly attributable		1,518			
27	Not directly attributable					
28	Total attributable to regulated service		1,518			
29	Business support					
30	Directly attributable		2,570			
31	Not directly attributable					
32	Total attributable to regulated service		2,570			
33	Operating costs directly attributable		14,414			
34	Operating costs not directly attributable					
35	Operational expenditure		14,414			

39	5d(ii): Other Cost Allocations	(5000)
40	Pass through and recoverable costs	
41	Pass through costs	
42	Directly attributable	345
43	Not directly attributable	
44	Total attributable to regulated service	345
45	Recoverable costs	
46	Directly attributable	16,068
47	Not directly attributable	
48	Total attributable to regulated service	16,068

50	5d(iii): Changes in Cost Allocations* †	(5000)
51	Change in cost allocation 1	
52	Cost category	
53	Original allocator or line items	Original allocation
54		CY-1
55	New allocator or line items	Current Year (CY)
56		
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		CY-1
65	New allocator or line items	Current Year (CY)
66		
67	Rationale for change	
68		
69		
70	Change in cost allocation 3	
71	Cost category	
72	Original allocator or line items	Original allocation
73		CY-1
74	New allocator or line items	Current Year (CY)
75		
76	Rationale for change	
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 **The Power Company 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	48,716
12	Not directly attributable	-
13	Total attributable to regulated service	48,716
14	Subtransmission cables	
15	Directly attributable	1,209
16	Not directly attributable	-
17	Total attributable to regulated service	1,209
18	Zone substations	
19	Directly attributable	65,630
20	Not directly attributable	-
21	Total attributable to regulated service	65,630
22	Distribution and LV lines	
23	Directly attributable	124,837
24	Not directly attributable	-
25	Total attributable to regulated service	124,837
26	Distribution and LV cables	
27	Directly attributable	18,471
28	Not directly attributable	-
29	Total attributable to regulated service	18,471
30	Distribution substations and transformers	
31	Directly attributable	52,297
32	Not directly attributable	-
33	Total attributable to regulated service	52,297
34	Distribution switchgear	
35	Directly attributable	7,717
36	Not directly attributable	-
37	Total attributable to regulated service	7,717
38	Other network assets	
39	Directly attributable	6,263
40	Not directly attributable	-
41	Total attributable to regulated service	6,263
42	Non-network assets	
43	Directly attributable	7
44	Not directly attributable	-
45	Total attributable to regulated service	7
46	Regulated service asset value directly attributable	325,146
48	Regulated service asset value not directly attributable	-
49	Total closing RAB value	325,146

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			
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			
71				
72	Change in asset value allocation 3			
73	Asset category			
74	Original allocator or line items			
75	New allocator or line items			
76				
77	Rationale for change			

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

Company Name **The Power Company 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		4,720
9	System growth		10,937
10	Asset replacement and renewal		8,430
11	Asset relocations		194
12	Reliability, safety and environment:		
13	Quality of supply	449	
14	Legislative and regulatory	-	
15	Other reliability, safety and environment	396	
16	Total reliability, safety and environment		845
17	Expenditure on network assets		25,126
18	Expenditure on non-network assets		-
19			
20	Expenditure on assets		25,126
21	plus Cost of financing		-
22	less Value of capital contributions		2,909
23	plus Value of vested assets		-
24			
25	Capital expenditure		22,217
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 Individuals	1,044	
33	Non-Domestic	1,982	
34	Domestic	1,546	
35		-	
36	Distributed Generation Connection	148	
37	<i>* include additional rows if needed</i>		
38	Consumer connection expenditure		4,720
39			
40	less Capital contributions funding consumer connection expenditure	2,673	
41	Consumer connection less capital contributions		2,046
42	6a(iv): System Growth and Asset Replacement and Renewal		
43		System Growth	Asset Replacement and Renewal
44		(\$000)	(\$000)
45	Subtransmission	2,677	1,484
46	Zone substations	8,181	2,881
47	Distribution and LV lines	-	2,014
48	Distribution and LV cables	79	152
49	Distribution substations and transformers	-	1,159
50	Distribution switchgear	-	722
51	Other network assets	-	18
52	System growth and asset replacement and renewal expenditure	10,937	8,430
53	less Capital contributions funding system growth and asset replacement and renewal	133	-
54	System growth and asset replacement and renewal less capital contributions	10,804	8,430
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	<i>* include additional rows if needed</i>		
64	All other projects or programmes - asset relocations	194	
65	Asset relocations expenditure		194
66	less Capital contributions funding asset relocations	103	
67	Asset relocations less capital contributions		91
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	449	
78	Quality of supply expenditure		449
79	<i>less</i> Capital contributions funding quality of supply	-	
80	Quality of supply less capital contributions		449
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	Earth upgrades	275	
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	122	
102	Other reliability, safety and environment expenditure		396
103	<i>less</i> Capital contributions funding other reliability, safety and environment	-	
104	Other reliability, safety and environment less capital contributions		396
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 **The Power Company 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	4,346		
9	Vegetation management	1,541		
10	Routine and corrective maintenance and inspection	3,152		
11	Asset replacement and renewal	1,286		
12	Network opex		10,325	
13	System operations and network support	1,518		
14	Business support	2,570		
15	Non-network opex		4,088	
16				
17	Operational expenditure		14,414	
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		304	
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers			

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				
8	Line charge revenue	54,675	56,711	4%

7(ii): Expenditure on Assets		Forecast (\$000) ²	Actual (\$000)	% variance
9				
10	Consumer connection	2,778	4,720	70%
11	System growth	11,329	10,937	(3%)
12	Asset replacement and renewal	11,433	8,430	(26%)
13	Asset relocations	59	194	228%
14	Reliability, safety and environment:			
15	Quality of supply	2,881	449	(84%)
16	Legislative and regulatory	–	–	–
17	Other reliability, safety and environment	1,300	396	(70%)
18	Total reliability, safety and environment	4,181	845	(80%)
19	Expenditure on network assets	29,781	25,126	(16%)
20	Expenditure on non-network assets	6,763	–	(100%)
21	Expenditure on assets	36,544	25,126	(31%)

7(iii): Operational Expenditure				
22				
23	Service interruptions and emergencies	3,002	4,346	45%
24	Vegetation management	1,404	1,541	10%
25	Routine and corrective maintenance and inspection	3,095	3,152	2%
26	Asset replacement and renewal	1,393	1,286	(8%)
27	Network opex	8,894	10,325	16%
28	System operations and network support	1,652	1,518	(8%)
29	Business support	3,156	2,570	(19%)
30	Non-network opex	4,808	4,088	(15%)
31	Operational expenditure	13,702	14,414	5%

7(iv): Subcomponents of Expenditure on Assets (where known)				
32				
33	Energy efficiency and demand side management, reduction of energy losses	–	–	–
34	Overhead to underground conversion	–	–	–
35	Research and development	–	–	–
36				

7(v): Subcomponents of Operational Expenditure (where known)				
37				
38	Energy efficiency and demand side management, reduction of energy losses	125	125	–
39	Direct billing	–	–	–
40	Research and development	–	–	–
41	Insurance	333	304	(9%)
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 **The Power Company 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	6,612	38,825							
Domestic	Residential	Standard	18,853	174,355							
Non-Domestic	Commercial	Standard	9,369	196,820							
Individual non half hour	Commercial	Standard	79	10,150							
Individual half hour	Commercial	Standard	173	164,952							
Non-Standard	Commercial	Non-standard	4	117,724							
		(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				35,086	585,101	114,857,742	340,509,167	-	-	-	-
Non-standard consumer totals				4	117,724	80,615,306	-	-	-	-	-
Total for all consumers:				35,090	702,826	195,473,049	340,509,167	-	-	-	-

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	\$4,234	-	\$3,342	\$893		\$83	\$4,151				
Domestic	Residential	Standard	\$19,440	-	\$15,342	\$4,098		\$8,303	\$11,137				
Non-Domestic	Commercial	Standard	\$20,703	-	\$16,338	\$4,364		\$8,436	\$12,267				
Individual non half hour	Commercial	Standard	\$744	-	\$415	\$330		\$99	\$645				
Individual half hour	Commercial	Standard	\$5,372	-	\$2,409	\$2,964		\$2,630	\$2,742				
Non-Standard	Commercial	Non-standard	\$6,120	-	\$2,699	\$3,420		\$6,120					
Generation	Commercial	Non-standard	\$98	-	\$98			\$98					
		[Select one]	-	-									
		[Select one]	-	-									
		[Select one]	-	-									
Standard consumer totals			\$50,494	-	\$37,846	\$12,648		\$19,551	\$30,942	-	-	-	-
Non-standard consumer totals			\$6,218	-	\$2,798	\$3,420		\$6,218		-	-	-	-
Total for all consumers			\$56,711	-	\$40,643	\$16,068		\$25,769	\$30,942	-	-	-	-

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

Company Name	The Power Company 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.	87,163	87,558	395	3
10	All	Overhead Line	Wood poles	No.	21,589	21,608	19	3
11	All	Overhead Line	Other pole types	No.	-	-	-	N/A
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	846	894	48	3
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	6	6	-	3
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	N/A
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	1	1	-	3
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.	40	42	2	3
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.	46	49	3	4
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	N/A
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	227	228	1	3
29	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	12	12	-	4
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	33	34	1	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	110	119	9	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	60	60	-	4
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	56	60	4	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	6,753	6,709	(44)	3
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	N/A
37	HV	Distribution Line	SWER conductor	km	5	5	-	4
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	87	93	7	3
39	HV	Distribution Cable	Distribution UG PILC	km	42	42	0	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.	31	33	2	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	2	2	-	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	12,949	13,089	140	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.	76	77	1	4
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	10,345	10,418	73	3
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	550	565	15	3
48	HV	Distribution Transformer	Voltage regulators	No.	61	68	7	4
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	N/A
50	LV	LV Line	LV OH Conductor	km	854	842	(12)	3
51	LV	LV Cable	LV UG Cable	km	215	218	3	3
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	347	348	1	3
53	LV	Connections	OH/UG consumer service connections	No.	36,726	37,056	330	3
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	496	497	1	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	-	4
56	All	Capacitor Banks	Capacitors including controls	Lot	6	6	-	4
57	All	Load Control	Centralised plant	Lot	5	5	-	4
58	All	Load Control	Relays	No.	-	-	-	N/A
59	All	Civils	Cable Tunnels	km	-	-	-	N/A

Company Name	The Power Company 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		Total circuit length	
		Overhead (km)	Underground (km)
9			
10	Circuit length by operating voltage (at year end)		
11	> 66kV	–	–
12	50kV & 66kV	444	–
13	33kV	449	6
14	SWER (all SWER voltages)	5	3
15	22kV (other than SWER)	–	–
16	6.6kV to 11kV (inclusive—other than SWER)	6,709	133
17	Low voltage (< 1kV)	840	218
18	Total circuit length (for supply)	8,448	360
19			
20	Dedicated street lighting circuit length (km)	271	77
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)		–
22			
23	Overhead circuit length by terrain (at year end)		
24	Urban	497	6%
25	Rural	4,730	56%
26	Remote only	848	10%
27	Rugged only	1,834	22%
28	Remote and rugged	539	6%
29	Unallocated overhead lines	0	0%
30	Total overhead length	8,448	100%
31			
32			
33	Length of circuit within 10km of coastline or geothermal areas (where known)	1,687	19%
34			
35	Overhead circuit requiring vegetation management	1,376	16%

Company Name **The Power Company 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			
26			

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

Company Name	The Power Company 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		-
12	Domestic		203
13	Non domestic		123
14	Non - half hour Individual		-
15	Half hour Individual		11
16	<i>* include additional rows if needed</i>		
17	Connections total		337
18			
19	Distributed generation		
20	Number of connections made in year		81 connections
21	Capacity of distributed generation installed in year		0.4 MVA
22	9e(ii): System Demand		
23			
24		Demand at time of maximum coincident demand (MW)	
25	Maximum coincident system demand		
26	GXP demand		85
27	plus Distributed generation output at HV and above		50
28	Maximum coincident system demand		135
29	less Net transfers to (from) other EDBs at HV and above		2
30	Demand on system for supply to consumers' connection points		133
31	Electricity volumes carried	Energy (GWh)	
32	Electricity supplied from GXPs		606
33	less Electricity exports to GXPs		48
34	plus Electricity supplied from distributed generation		214
35	less Net electricity supplied to (from) other EDBs		17
36	Electricity entering system for supply to consumers' connection points		754
37	less Total energy delivered to ICPs		703
38	Electricity losses (loss ratio)		52 6.8%
39			
40	Load factor		0.65
41	9e(iii): Transformer Capacity		
42		(MVA)	
43	Distribution transformer capacity (EDB owned)		413
44	Distribution transformer capacity (Non-EDB owned, estimated)		42
45	Total distribution transformer capacity		455
46			
47	Zone substation transformer capacity		426

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

sch ref

8	10(i): Interruptions			
9	Interruptions by class	Number of interruptions		
10	Class A (planned interruptions by Transpower)	-		
11	Class B (planned interruptions on the network)	737		
12	Class C (unplanned interruptions on the network)	620		
13	Class D (unplanned interruptions by Transpower)	1		
14	Class E (unplanned interruptions of EDB owned generation)	-		
15	Class F (unplanned interruptions of generation owned by others)	-		
16	Class G (unplanned interruptions caused by another disclosing entity)	-		
17	Class H (planned interruptions caused by another disclosing entity)	-		
18	Class I (interruptions caused by parties not included above)	-		
19	Total	1,358		
20				
21	Interruption restoration	≤3Hrs	>3hrs	
22	Class C interruptions restored within	436	184	
23				
24	SAIFI and SAIDI by class	SAIFI	SAIDI	
25	Class A (planned interruptions by Transpower)	-	-	
26	Class B (planned interruptions on the network)	0.35	82.8	
27	Class C (unplanned interruptions on the network)	2.70	176.3	
28	Class D (unplanned interruptions by Transpower)	0.41	36.4	
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	3.46	295.5	
35				
36	Normalised SAIFI and SAIDI	Normalised SAIFI	Normalised SAIDI	
37	Classes B & C (interruptions on the network)	3.04	259.1	
38				
39	Quality path normalised reliability limit	SAIFI reliability limit	SAIDI reliability limit	
40	SAIFI and SAIDI limits applicable to disclosure year*	-	-	
41	* not applicable to exempt EDBs			
42	10(ii): Class C Interruptions and Duration by Cause			
43				
44	Cause	SAIFI	SAIDI	
45	Lightning	0.10	3.1	
46	Vegetation	0.20	17.7	
47	Adverse weather	0.51	58.2	
48	Adverse environment	0.00	0.2	
49	Third party interference	0.28	17.9	
50	Wildlife	-	-	
51	Human error	0.01	0.2	
52	Defective equipment	1.10	64.8	
53	Cause unknown	0.49	14.3	
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)	0.35	82.3	
62	Distribution cables (excluding LV)	-	0.5	
63	Distribution other (excluding LV)	-	0.5	
64	10(iv): Class C Interruptions and Duration by Main Equipment Involved			
65				
66	Main equipment involved	SAIFI	SAIDI	
67	Subtransmission lines	0.37	9.7	
68	Subtransmission cables	-	-	
69	Subtransmission other	0.01	0.2	
70	Distribution lines (excluding LV)	1.98	152.4	
71	Distribution cables (excluding LV)	0.03	2.7	
72	Distribution other (excluding LV)	0.30	11.3	
73	10(v): Fault Rate			
74	Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
75	Subtransmission lines	18	840	2.14
76	Subtransmission cables	-	6	-
77	Subtransmission other	1	-	-
78	Distribution lines (excluding LV)	540	6,658	8.11
79	Distribution cables (excluding LV)	6	102	5.88
80	Distribution other (excluding LV)	55	-	-
81	Total	620		

SCHEDULE 14 MANDATORY EXPLANATORY NOTES

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

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and 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

The Power Company Limited achieved a post-tax WACC of 3.17% below the 75th percentile estimate of post-tax WACC of 6.82% and a 3.95% vanilla WACC below the 75th percentile estimate of vanilla WACC of 7.60%.

- *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 \$517k for lines charges sold to another lines company.

In line with standard practise distribution transformers are replaced and sold for their scrap metal value leading to a loss on disposal.

No items were reclassified in the disclosure year.Box 2: Explanatory comment on regulatory profit

Included in other regulated income is an amount of \$518k for lines charges sold to another lines company.

In line with standard practise distribution transformers are replaced and sold for their scrap metal value leading to a loss on disposal.

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 clause 2.7.1(2)
- 6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

Box 3: Explanatory comment on merger and acquisition expenditure

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 clause 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 used the 31 March 2014 figure as the starting point with inflationary indexing over the year to 31 March 2015 plus additions less disposals.

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

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

- 8.1 income not included in regulatory profit / (loss) before tax but taxable;
- 8.2 expenditure or loss in regulatory profit / (loss) before tax but not deductible;
- 8.3 income included in regulatory profit / (loss) before tax but not taxable;
- 8.4 expenditure or loss deductible but not in regulatory profit / (loss) before tax.

Box 5: Regulatory tax allowance: permanent differences

The expenditure deductible but not in regulatory profit is the \$33k cost of easements which is a tax deductible expense.

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 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:	\$ 870
	<u>\$ 870</u>
Tax Rate:	28%
Temporary Differences	<u>\$ 244</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 clause 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 The Power Company Limited's electricity network.

Cost allocation (Schedule 5d)

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

Box 8: Cost allocation

All costs are directly attributable as all costs were either passed through by PowerNet as agent or were invoiced to The Power Company 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 clause 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 clause 2.7.1(2),

Box 10: Explanation of capital expenditure for the disclosure year

The materiality threshold of programmes or projects identified during the disclosure year was set at \$500k.

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 clause 2.7.1(2);
 - 14.3 commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 6b, 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 The Power Company Limited's transformers and lines 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.

No items were reclassified during the disclosure year.

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 clause 2.7.1(2).

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

The actual expenditure on network assets was 16% under budget.

Consumer connection:

70% more customer connections than was forecast. Actuals depend on regional growth and development.

System Growth:

Overall capex managed in line with budget.

Asset replacement and renewal:

26% underspend due to major subtransmission line rebuild deferred due to re-design to achieve a more cost-effective option.

Asset Relocations:

This type of work is customer driven with the reactive element much higher than estimated.

Reliability, Safety and Environment:

Overall expenditure 20% of budget

Quality of supply Mobile Substation project not progressed beyond design

Other projects not progressed as far as expected

Operational Expenditure:

Network opex was overspent and 16% more than budget.

Service interruptions and emergencies:

45% above budget due to major storms and rebuild of part of a subtransmission line following the failure of a number of poles.

Vegetation management:

This was 10% above budget as this type of work is customer driven with more demand than budgeted.

Routine and corrective maintenance and inspection:

Overall opex managed in line with budget.

Asset replacement and renewal:

Overall opex managed in line with budget.

System Operations:

System operations have been managed in line with budget.

Business support:

19% below budget as publicity costs were less than budgeted.

Information relating to revenue and quantities for the disclosure year

16. In the box below provide-

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

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

Year ended 31 March 2015:

Target revenue for the 2014-15 year was \$54,675k. The total billed revenue for the 2014-15 year was \$56,711k, a 4% variation.

This is because the Transpower HVDC charges of \$1,828,823 are not included in the Target as they are regarded as a pass through cost but they are included in our non-standard customer group line charge revenue. There was also additional revenue due to increased fixed and variable revenue from the half hour metered individual customers as a result of new connections and additional consumption.

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 of 259 minutes did not meet the Statement of Intent target of 195 minutes; and was higher than the 2013/14 measure of 178 minutes.

The SAIFI of 3.04 times was slightly above the Statement of Intent target of 2.96 times and was higher than the 2013/14 measure of 2.87 times.

The higher than target results were mainly due to winter storms in July and August and sub-transmission interruptions that affected zone substations.

Due to its consumer ownership The Power Company Limited is not subject to Default Price-Quality Path regulation and had therefore not commented on performance relative to Commerce Commission quality limits.

There are inherent limitations in the ability of The Power Company 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

The Power Company Limited insures its substations, network equipment and buildings.

- Substations and network equipment are insured for \$115.57 million.

Lines and cables are un-insured; the cost of covering this risk through insurance is regarded as too expensive relative to the risk. The company's view is that an EDB should recover prudent costs for rectifying for catastrophic events through future line charges.

The Power Company 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

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

20. This Schedule provides for EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.5.
21. 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)

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

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

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)

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

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

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

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

24. This Schedule enable EDBs to provide, should they wish to-
- 24.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, 2.5.2, and 2.6.5;
 - 24.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.
25. 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.
26. 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 The Power Company Limited and the Commerce Commission as a recipient of the Report

Assurance Report Pursuant to Electricity Distribution Information Disclosure Determination 2012

We have completed our assurance engagement of The Power Company Limited's (the 'Company') compliance with the Electricity Distribution Disclosure Information Determination 2012 (the 'Determination') in preparing 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 Schedules') for the disclosure year ended 31 March 2015.

Directors' Responsibilities

The Directors are responsible for preparation of the Schedules in accordance with the Determination and ensuring the Company keeps records to enable the preparation of the Schedules that are free from material misstatement.

Auditors' Responsibilities

Our responsibility is to express an opinion on whether the Company has complied, in all material respects, with the Determination in the preparation of the Schedules for the year ended 31 March 2015 and report our opinion to you.

Our engagement has been conducted in accordance with ISAE (NZ) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information and SAE 3100 Compliance Engagements to obtain reasonable assurance that the Company has complied, in all material respects, with the Determination in the preparation of the Schedules for the year ended 31 March 2015.

The procedures we performed were based on our professional judgment, including assessment of the risks of material misstatement in the Schedules, whether due to fraud or error. In making those risk assessments, we considered internal controls relevant to the Company's preparation of the Schedules to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our procedures included analytical procedures, evaluating the appropriateness of assumptions used and whether they have been consistently applied, and agreement of the Schedules to, or reconciling with, source systems and underlying records. We included an assessment of the significant judgements made by the Company in the preparation of the disclosure information and also evaluated the overall adequacy of the presentation of supporting information and explanations.

Use of Report

This report has been prepared for the Directors of the Company in accordance with clause 2.8.1(1) of the Determination and is provided solely to assist you in establishing that compliance requirements have been met. We acknowledge that the Directors will provide the report to the Commerce Commission in accordance with clause 2.8.1(1)(a) of the Determination.

The report has been prepared in accordance with the scope and terms of our letter of engagement with the Company dated 14 April 2015. The terms and conditions are attached and form part of this report and are applicable to the Commerce Commission. Our report should not be used for any other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility for any reliance on this report to anyone other than the Directors, or for any purpose other than that for which it was prepared.

***Inherent Limitations***

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 year and the procedures performed in respect of the Company's compliance with the Determination 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 Determination.

The opinion expressed in this report has been formed on the above basis.

Independence

Other than this engagement, the annual audit of the Company's financial statements and the provision of advice on industry related matters, we have no relationship with or interests in the Company or any of its subsidiaries. We are not aware of any relationship between our firm and The Power Company Limited that, in our professional judgment, may reasonably be thought to impair our independence.

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

As described in Box 14 of Schedule 14, there are inherent limitations in 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 outage statistics is limited throughout the year.

There are no practical audit procedures that we could adopt to confirm independently that all the outage and ICP data was properly recorded for the purposes of inclusion in the amounts relating to SAIDI and SAIFI outage statistics 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 of Qualified Opinion paragraph above:

- As far as appears from our examination, proper records have been kept by the Company to enable the complete and accurate compilation of the Schedules;
- The information used in the preparation of the Schedules 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, in all material respects, with the Determination in preparing the Schedules.

Report on Other Matters

In forming our opinion we have, except for the matters described in the Basis of Qualified Opinion paragraph above, obtained sufficient recorded evidence and all the information and explanations that we have required.

A handwritten signature in blue ink, appearing to read 'Ricardo Lopez'.

Chartered Accountants
28 August 2015

Christchurch, New Zealand

5. Schedule 18: Certification for Year-End Disclosures

Clause 2.9.2

We, Alan Bertram Harper and Maryann Louise Macpherson, being directors of The Power Company 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 Power Company 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.

**Alan Bertram Harper****Maryann Louise Macpherson**