

Company Name Electra LimitedFor Year Ended 31 March 2013**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 2.5.2.
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 clause 2.7.1(2).

**Box 1: Explanatory comment on return on investment**

Cost of debt assumption

2012 6.71%

2013 6.31%

Line charges price increase 2013: 5% Real

Avoided costs of transmission (first year of contract 2013) \$1,234k

There have been no reclassified items.

*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 regulatory line income' other than gains and losses on asset sales, as disclosed in 3(i) of Schedule 3
  - 5.2 information on reclassified items in accordance with clause 2.7.1(2).

**Box 2: Explanatory comment on regulatory profit**

Material items included in 'other regulatory line income' for 2013 include the following:

AC loss rental rebates \$863k

Saturn cable \$106k

Energy response (ENERNOC) \$64k

Accidents oncharged \$55k

Generator hireage fees \$6k

Bad debts recovered \$2k

There have been no reclassified items.

*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**

On 1 July 2013 Electra Limited's 100% owned contracting subsidiary Linework and Stones Limited was amalgamated into the parent company as a division.

There have been no reclassified items.

*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 2009 initial RAB includes devaluation adjustments; these have been included in the 2010 lost assets adjustments.

The \$1.1m lost asset adjustment, includes: \$1,605k 2011 non-system revaluations (disclosed and audited) less \$262k included in row 18, less \$234k depreciation rate adjustments 2004 – 2009.

There have been no reclassified items.

*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**

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

Distribution Operations (contracting division) third party sales \$618k

Interest received \$356k

IFRIC 18 income(vested assets) \$572k

Rental income \$13k

Miscellaneous income \$4k

Loss on sale of investments (\$698k)

Managahao JV AC loss rental rebate \$207k

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

\$Nil

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

\$Nil

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

Direct labour, materials and subcontractors \$648k

Corporate expenses \$152k

Interest expense \$2,691k

*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)**  
\$74k comprising of 28% of the following :

ACC \$47k

Doubtful debts \$49k

Employee entitlements \$260k

Retentions (\$38k)

Work in progress (\$53k)

*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**

There were no related party transactions beyond those disclosed in schedule 5b.

*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**

Allocation of operating and pass through and recoverable costs made on the basis that 100% are attributable to electricity distribution services.

There have been no reclassified items.

*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**

Directly attributable, network business assets; \$143.366 million;

All assets are directly attributable to regulated service.

There have been no reclassified items.

*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**

Materiality threshold applied to identify material projects and programmes \$6k.

There have been no reclassified items.

*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, 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**

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

There have been no reclassified items.

*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**

All opex was budgeted for on the basis that our contracting arm would still be a standalone company so included a 33% profit margin. With the amalgamation of the contracting division into Electra this margin has been eliminated.

System growth - Actual \$87k Forecast \$255k

Lower Growth than previous forecast due to extended economic downturn has resulted in some growth projects being deferred as they have not yet met their trigger point criteria

Quality of supply - Actual \$281k Forecast \$3,130k

Mangahao-Shannon underground cable project partly complete, \$1.5m deferred to 2013/14 FY. Redefinition of some projects from Quality to Reliability, see below.

Other reliability, safety and environment - Actual \$1,067k Forecast \$0

Redefinition of some projects from Quality to Reliability, see above.

Non-network capex - Actual \$729k Forecast \$97k

Contracting division amalgamated into Electra 1 July 2013 had capital expenditure of \$320k. Land and buildings unbudgeted capex \$221k. IT \$128k unbudgeted capex for upgrade of financial system and integration of former subsidiary Linework and Stones Limited into parent company Electra Limited (previous running a separate financial system).

Service interruptions and emergencies - Actual \$1,189k Forecast \$1,490k

Reduced outages for the year have resulted in improved SAIDI & SAIFI as well as reduced costs.

Vegetation management - Actual \$927k Forecast \$1,200k

Elimination of margin per above

Routine and corrective maintenance and inspection -Actual \$620k Forecast \$1,015k

Increased use of portable devices has reduced costs for data capture and post processing

Asset replacement and renewal - Actual \$409k Forecast \$1,070k

Works programme not completed for the year

Business support - Actual \$4,353k Forecast \$3,202k

Margin reallocation

There have been no reclassified items.

*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**

Total billed line charge revenue for 2013 \$33,923k (forecast \$34,368k)

Total billed line charge revenue was under forecast mainly due to a mild winter in conjunction with no underlying growth in units sold. Budgeted growth in units sold for the year was 0.5%. Actual units sold decreased by 0.95% from 2012 levels.

Network losses were over budget at 7.5% (budget 7%).

*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**

Reliability for the year was within expected levels for both SAIDI (target under 78) and SAIFI (target under 1.67).

The duration of outages was minimised with the continuing utilisation of generators wherever possible when carrying out planned maintenance.

The frequency of outages was reduced with a combination of no major adverse weather events during the year and the cumulative effects of the vegetation management programme with two tree crews in place full time for past four years.

No subtransmission faults while operating under reduced security with circuits out of service.

*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**

Electra Limited has material damage replacement value cover for Network assets to the following sums insured:

Buildings \$7,626k

Stock \$2,060k

Plant, computers & contents \$42,798k

The physical network outside of the substations is self insured as the cost of obtaining insurance cover for these network assets is deemed more expensive than the assessment of potential losses to Electra Limited.

Electra Limited has motor vehicle cover for all vehicles owned or used by Electra Limited up to the market value of the vehicle at the time of loss.



Company Name Electra LimitedFor Year Ended 31 March 2013

## **Schedule 14b      Mandatory Explanatory Notes on Transitional Financial Information**

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

1. This Schedule provides for EDBs to provide explanatory notes to the transitional financial information disclosed in accordance with clause 2.12.1.
2. This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.12.1. This information is part of the audited disclosure information, and so is subject to the assurance requirements specified in section 2.8.
3. In the box below provide explanatory comment on the tax effect of other temporary differences for the years ending 31 March 2010, 31 March 2011 and 31 March 2012 (as reported in Schedule 5h(vii)).

**Box 1: Commentary on tax effect of other temporary differences (years ended 31 March 2010, 31 March 2011, and 31 March 2012)**

31 March 2010 - Comprising of 30% of the following:

ACC \$17k

Doubtful debts \$52k

Employee entitlements \$79k

31 March 2011 - Comprising of 30% of the following

ACC \$14k

Employee entitlements \$13k

31 March 2012 - Comprising of 28% of the following

ACC (\$16k)

Doubtful debts \$20k

Employee entitlements \$98k

Other expenses \$16k

4. To the extent that any change in regulatory profit and ROI reported for 2013 (compared to that reported for 2012) is attributable to the change in treatment of related party transactions, provide an explanation of the change in the box below.

**Box 2: Change in regulatory profit and ROI due to change in treatment of related party transactions**

5. 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) for disclosure years 2011 and 2012.

**Box 3: Commentary on asset allocation**

All regulated service assets are directly attributable to regulated service.

Company Name Electra LimitedFor Year Ended 31 March 2013**Schedule 15 Voluntary Explanatory Notes**

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

1. This Schedule enable 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, 2.5.2, and 2.6.5;
  - 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**

Mangahao Joint Venture AC loss rental rebate 2013 \$207k and 2012 \$78k has been excluded from regulatory profit as AC loss rental rebates are not income associated with the conveyance of electricity by line in New Zealand, other than those supplied by Transpower. Accordingly, it does not fall within the IM definition of other regulated income (under the definition of Electricity lines services in section 54C of the Commerce Act).

Transpower transmission charges have been disclosed under Recoverable costs, **Non-exempt EDB electricity lines service charge payable to Transpower (ref 43)** for 2013 \$7,011k and 2012 \$7,508k disclosure in Schedule 3. This treatment was confirmed as correct to Electra Limited by the Regulation Branch of the Commerce Commission on 28 August 2013.

Weighted average remaining asset life calculations in Schedules 4(vii) and 5h(v) include assumptions in particular with regards to assets with no depreciation end date. This is due to limitations inherent in the Navision accounting software. While the difference is thought to be immaterial it should be noted that the calculation of depreciation is based on a depreciation percentage as opposed to remaining useful life.

Weighted average remaining asset life (WARL) in Schedule 5h(v) is unchanged at 29.89 years for 2010, 2011, 2012 (and assumed to be the same as the WARL calculated for 2013).

WARL for non-network assets is high at 38.6 years. This is skewed by the high value of the Electra Limited head office land and buildings in Levin. The building was commissioned in 2004 with an estimated useful life of 50 years.



**EDB Information Disclosure Requirements  
Information Templates  
for  
Transitional Schedules**

**Company Name**

Electra Limited

**Disclosure Date**

31 August 2013

**Disclosure Year (year ended)**

31 March 2013

Templates for Schedules 3, 5b, 5e & 8  
Template Version 1.0. Prepared 19 June 2013

Company Name **Electra Limited**  
For Year Ended **31 March 2012**

**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 3(i), 3(iv) and 3(v) and must provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

Non-exempt EDBs must also complete sections 3(ii) and 3(iii).

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)

**Income**

Line charge revenue

31,324

plus Gains / (losses) on asset disposals

(151)

plus Other regulated income (other than gains / (losses) on asset disposals)

1,107

**Total regulatory income**

32,281

**Expenses**

less Operational expenditure

9,451

less Pass-through and recoverable costs

7,673

**Operating surplus / (deficit)**

15,157

less Total depreciation

5,283

plus Total revaluation

2,162

**Regulatory profit / (loss) before tax & term credit spread differential allowance**

12,036

less Term credit spread differential allowance

-

**Regulatory profit / (loss) before tax**

12,036

less Regulatory tax allowance

1,129

**Regulatory profit / (loss)**

10,906

**3(ii): Pass-Through and Recoverable Costs**

(\$000)

**Pass-through costs**

Rates

56

Commerce Act levies

n/a

Electricity Authority levies

93

Other specified pass-through costs

16

**Recoverable costs**

Net recoverable costs allowed under incremental rolling incentive scheme

n/a

Non-exempt EDB electricity lines service charge payable to Transpower

7,508

Transpower new investment contract charges

n/a

System operator services

n/a

Avoided transmission charge

n/a

Input Methodology claw-back

n/a

Recoverable customised price-quality path costs

n/a

**Pass-through and recoverable costs**

7,673

**3(iii): Incremental Rolling Incentive Scheme**

(\$000)

Allowed controllable opex

n/a

Actual controllable opex

n/a

**Incremental change in year**

n/a

	CY-1 31 March 2011	CY 31 March 2012
Previous years' incremental change	n/a	n/a
Previous years' incremental change adjusted for inflation	n/a	n/a

CY-5 31 Mar 07

n/a

CY-4 31 Mar 08

n/a

CY-3 31 Mar 09

n/a

CY-2 31 Mar 10

n/a

CY-1 31 Mar 11

n/a

**Net incremental rolling incentive scheme**

-

Net recoverable costs allowed under incremental rolling incentive scheme

-

**3(iv): Merger and Acquisition Expenditure**

Merger and acquisition expenses

n/a

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)

**3(v): Other Disclosures**

Self-insurance allowance

n/a

Company Name	Electra Limited
For Year Ended	31 March 2012

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

7	Total regulatory income	-
8	Operational expenditure	6,082
9	Capital expenditure	4,777
10	Market value of asset disposals	-
11	Other related party transactions	(622)
12		

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

Name of related party	Related party relationship
Linework and Stones Limited	100% owned subsidiary
Datacol NZ Limited	100% owned subsidiary
Sky Communications Limited	100% owned subsidiary
Sky Communications Pty Limited	100% owned subsidiary
Oxford Finance Limited	100% owned subsidiary
Oxford Finance Corporation Limited	100% owned subsidiary

\* 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
Linework and Stones Limited	Opex	repairs, inspections, maintenance	6,082	amount paid
Linework and Stones Limited	Capex	that meet CAPEX policy	4,777	amount paid
Linework and Stones Limited	Sales	Interest received from	(16)	amount received
Linework and Stones Limited	Sales	sold equipment back	(42)	amount received
Datacol NZ Limited	Opex	consultant services	2	amount paid
Sky Communications Limited	Sales	Interest received from	(218)	amount received
Sky Communications Pty Limited	Sales	Interest received from	(62)	amount received
Oxford Finance Limited	Sales	Management Fees	(270)	amount received
Oxford Finance Corporation Limited	Sales	Management Fees	(16)	amount received

\* include additional rows if needed

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.

7 **5e(i): Regulated Service Asset Values**

	Value allocated (\$'000s) Electricity distribution services
<b>Subtransmission lines</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Subtransmission cables</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Zone substations</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution and LV lines</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution and LV cables</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution substations and transformers</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution switchgear</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Other network assets</b>	
Directly attributable	138,005
Not directly attributable	-
<b>Total attributable to regulated service</b>	138,005
<b>Non-network assets</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Regulated service asset value directly attributable</b>	138,005
<b>Regulated service asset value not directly attributable</b>	-
<b>Total closing RAB value</b>	138,005

## (\$000)

				(000)	
				CY-1	Current Year (CY)
				31 Mar 09	31 Mar 10
Change in asset value allocation 1					
Asset category		Original allocation			
Original allocator or line items		New allocation			
New allocator or line items		Difference		-	-
Rationale for change					
Change in asset value allocation 2				CY-1	Current Year (CY)
				31 Mar 09	31 Mar 10
Asset category		Original allocation			
Original allocator or line items		New allocation			
New allocator or line items		Difference		-	-
Rationale for change					
Change in asset value allocation 3				CY-1	Current Year (CY)
				31 Mar 09	31 Mar 10
Asset category		Original allocation			
Original allocator or line items		New allocation			
New allocator or line items		Difference		-	-
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.

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.

7 **5e(i): Regulated Service Asset Values**

	Value allocated (\$000s) Electricity distribution services
<b>Subtransmission lines</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Subtransmission cables</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Zone substations</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution and LV lines</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution and LV cables</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution substations and transformers</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Distribution switchgear</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Other network assets</b>	
Directly attributable	137,618
Not directly attributable	-
<b>Total attributable to regulated service</b>	137,618
<b>Non-network assets</b>	
Directly attributable	-
Not directly attributable	-
<b>Total attributable to regulated service</b>	-
<b>Regulated service asset value directly attributable</b>	137,618
<b>Regulated service asset value not directly attributable</b>	-
<b>Total closing RAB value</b>	137,618

**5e(ii): Changes In Asset Allocations\* †**

5e(ii): Changes In Asset Allocations* †		(\$000)	
		CY-1 31 Mar 10	Current Year (CY) 31 Mar 11
Change in asset value allocation 1			
Asset category		Original allocation	
Original allocator or line items		New allocation	
New allocator or line items		Difference	
Rationale for change			
Change in asset value allocation 2			
Asset category		Original allocation	
Original allocator or line items		New allocation	
New allocator or line items		Difference	
Rationale for change			
Change in asset value allocation 3			
Asset category		Original allocation	
Original allocator or line items		New allocation	
New allocator or line items		Difference	
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.



Company Name	Electra Limited
For Year Ended	31 March 2012

**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. EDs 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

**5e(i): Regulated Service Asset Values**

	Value allocated (\$000s) Electricity distribution services
<b>Subtransmission lines</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
<b>Subtransmission cables</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
<b>Zone substations</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
<b>Distribution and LV lines</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
<b>Distribution and LV cables</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
<b>Distribution substations and transformers</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
<b>Distribution switchgear</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
<b>Other network assets</b>	
Directly attributable	
Not directly attributable	138,119
Total attributable to regulated service	138,119
<b>Non-network assets</b>	
Directly attributable	
Not directly attributable	
Total attributable to regulated service	
Regulated service asset value directly attributable	
Regulated service asset value not directly attributable	138,119
Total closing RAB value	138,119

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

			(\$000)	
			CY-1 31 Mar 11	Current Year (CY) 31 Mar 12
<b>Change in asset value allocation 1</b>				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference		
Rationale for change				
<b>Change in asset value allocation 2</b>				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference		
Rationale for change				
<b>Change in asset value allocation 3</b>				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference		
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  
For Year Ended  
31 March 2012  
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 those ICPS.

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 each consumer year	Energy delivered to ICPS in each consumer year (MWh)	Billed quantities by price component				Unit charging basis (eg. days, MWh of demand, kVA of capacity, etc.)	Price component	Fixed - Network	Fixed - Transmission	Network Variable	Transmission Variable	Maintenance	Fixed	Pole charge
					Day	Day	KW	KW	Transmission Variable	per annum	per annum	per annum	per annum	per annum	per annum	per annum	per annum
Anytime/Peaks	All	Standard	37,551	200,998	-	-	-	200,998	-	-	-	-	-	-	-	-	-
Managed Saver	All	Standard	21,999	55,596	-	-	-	55,596	-	-	-	-	-	-	-	-	-
Combined	All	Standard	3,358	23,693	-	-	-	23,693	-	-	-	-	-	-	-	-	-
Super Thrifty	All	Standard	723	3,753	-	-	-	3,753	-	-	-	-	-	-	-	-	-
Thrifty	All	Standard	2,020	4,295	-	-	-	4,295	-	-	-	-	-	-	-	-	-
Triple Saver - Night	All	Standard	677	28,473	-	-	-	28,473	-	-	-	-	-	-	-	-	-
Triple Saver - off Peak	All	Standard	695	41,783	-	-	-	41,783	-	-	-	-	-	-	-	-	-
Triple Saver - Peak	All	Standard	699	40,106	-	-	-	40,106	-	-	-	-	-	-	-	-	-
Night / Day - Night	All	Standard	3,591	5,100	-	-	-	5,100	-	-	-	-	-	-	-	-	-
Night / Day - Day	All	Standard	1,581	2,664	-	-	-	2,664	-	-	-	-	-	-	-	-	-
Streetlighting	All	Standard	2	3,171	-	-	-	3,171	-	-	-	-	-	-	-	-	3,237
Supply Charge	All	Standard	42,420	372	-	-	-	372	-	-	-	-	-	-	-	-	-
Add extra rows for additional consumer groups or price category codes as necessary																	
Standard consumer totals																	
Non-standard consumer totals																	
Total for all consumers																	

8(ii): 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 each consumer year	Net fixed revenue (range if applicable)	Line charge revenues by price component				Rate (eg. \$/day, \$/MWh, etc.)	Price component	Fixed - Network	Fixed - Transmission	Network Variable	Transmission Variable	Maintenance	Fixed	Pole charge
					Total distribution line charge revenue	Total transmission line charge revenue (if available)	Unit transmission line charge revenue (if available)	Unit distribution line charge revenue	\$/day	\$/day	\$/day	\$/MWh	\$/MWh	\$/MWh	\$/fitting	per annum	per annum
Anytime/Peaks	All	Standard	\$16,056	\$3,137	\$15,698	\$3,137	\$3,137	\$15,698	-	-	-	-	-	-	-	-	-
Managed Saver	All	Standard	\$2,218	\$497	\$2,218	\$497	\$497	\$2,218	-	-	-	-	-	-	-	-	-
Combined	All	Standard	\$1,410	\$317	\$1,410	\$317	\$317	\$1,410	-	-	-	-	-	-	-	-	-
Super Thrifty	All	Standard	\$22	\$3	\$22	\$3	\$3	\$22	-	-	-	-	-	-	-	-	-
Thrifty	All	Standard	\$201	\$48	\$201	\$48	\$48	\$201	-	-	-	-	-	-	-	-	-
Triple Saver - Night	All	Standard	\$214	\$272	\$214	\$272	\$272	\$214	-	-	-	-	-	-	-	-	-
Triple Saver - off Peak	All	Standard	\$441	\$586	\$441	\$586	\$586	\$441	-	-	-	-	-	-	-	-	-
Triple Saver - Peak	All	Standard	\$44	\$9	\$44	\$9	\$9	\$44	-	-	-	-	-	-	-	-	-
Night / Day - Night	All	Standard	\$500	\$131	\$500	\$131	\$131	\$500	-	-	-	-	-	-	-	-	-
Night / Day - Day	All	Standard	\$39	\$53	\$39	\$53	\$53	\$39	-	-	-	-	-	-	-	-	-
Streetlighting	All	Standard	\$79	\$10	\$79	\$10	\$10	\$79	-	-	-	-	-	-	-	-	-
Supply Charge	All	Standard	\$24,391	\$7,031	\$24,391	\$7,031	\$7,031	\$24,391	-	-	-	-	-	-	-	-	-
Add extra rows for additional consumer groups or price category codes as necessary																	
Standard consumer totals																	
Non-standard consumer totals																	
Total for all consumers																	

8(iii): Number of ICPS directly billed

Number of directly billed ICPS at year end

### **CERTIFICATION FOR YEAR-END DISCLOSURES**

(Pursuant to Clause 2.9.2 of Section 2.9) Commerce Act (Electricity Distribution Services Information Disclosure) Determination 2012)

We, Patricia Frances McKelvey and Neil Francis Mackay, being directors of Electra Limited certify that, having made all reasonable enquiry, to the best of our knowledge -

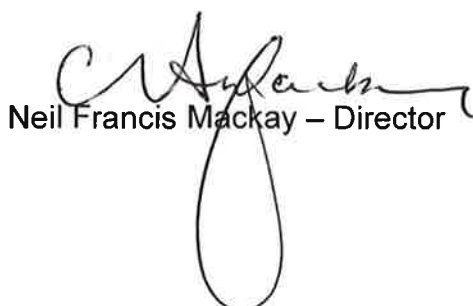
- a) The information prepared for the purposes of clauses 2.3.1 and 2.3.2; and clauses 2.4.21 and 2.4.22; clauses 2.5.1 and 2.5.2; and clauses 2.7.1 and 2.7.2 of the Electricity Distribution Information Disclosure Determination 2012 complies with that determination; and-
- b) The historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, 14, and 14b has been properly extracted from the Electra Limited's accounting records and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained; and

In respect of related party costs and revenues recorded in accordance with clauses 2.3.6(1) (when valued in accordance with clause 2.2.11(5)(h)(ii) of the Electricity Distribution Services Input Methodologies Determination 2010), 2.3.6(2)(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.



Patricia Frances McKelvey – Director

31 August 2013



Neil Francis Mackay – Director

31 August 2013

**CERTIFICATION FOR TRANSITIONAL DISCLOSURES**

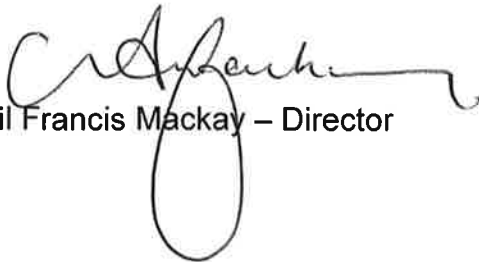
(Pursuant to Clause 2.9.3 of Section 2.9) Commerce Act (Electricity Distribution Services Information Disclosure) Determination 2012)

We, Patricia Frances McKelvey and Neil Francis Mackay, being directors of Electra Limited, certify that, having made all reasonable enquiry, to the best of our knowledge the information prepared for the purpose of clauses 2.12.1, 2.12.2, 2.12.3 and 2.12.5 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination.



Patricia Frances McKelvey – Director

31 August 2013



Neil Francis Mackay – Director

31 August 2013



## **INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF ELECTRA LIMITED AND TO THE COMMERCE COMMISSION**

The Auditor-General is the auditor of Electra Limited (the company). The Auditor-General has appointed me, Trevor Deed, using the staff and resources of Deloitte to provide an opinion, on her behalf, on whether Schedules 1 to 4, 5a to 5i, 6a and 6b, 7, Schedule 10 sub-schedules (i) to (iv), the explanatory notes disclosed in boxes 1 to 12 of Schedule 14 and the explanatory comments in Schedule 14b ('the Disclosure Information') for the disclosure year ended 31 March 2013 have been prepared, in all material respects, in accordance with the Electricity Distribution Information Disclosure Determination 2012 (the 'Determination').

### **Directors' responsibility for the Disclosure Information**

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

### **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.

### **Basis of opinion**

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 clause 1.4.3 of the Determination.

The Auditor-General, and her employees, and Deloitte and its partners and employees may deal with the company on normal terms within the ordinary course of trading activities. 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.

### Opinion

In our opinion:

- 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.

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

Trevor Deed  
Deloitte  
On behalf of the Auditor-General  
Wellington, New Zealand  
31 August 2013

This audit report relates to the Disclosure Information of Electra Limited for the disclosure year ended 31 March 2013 included on Electra Limited's website. The Board of Directors is responsible for the maintenance and integrity of Electra Limited's website. We have not been engaged to report on the integrity of the entity's website. We accept no responsibility for any changes that may have occurred to the Disclosure Information since it was initially presented on the website. The audit report refers only to the Disclosure Information named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the Disclosure Information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the Disclosure Information and related audit report dated 31 August 2013 to confirm the information included in the audited Disclosure Information presented on this website. Legislation in New Zealand governing the preparation and dissemination of Disclosure Information may differ from legislation in other jurisdictions.