

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

Company Name

Electra Limited

Disclosure Date

2 September 2019

Disclosure Year (year ended)

31 March 2019

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Company Name
For Year Ended

Electra Limited
31 March 2019

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

	Expenditure per GWh energy delivered to ICPs (\$/GWh)	Expenditure per average no. of ICPs (\$/ICP)	Expenditure per MW maximum coincident system demand (\$/MW)	Expenditure per km circuit length (\$/km)	Expenditure per MVA of capacity from EDB-owned distribution transformers (\$/MVA)
Operational expenditure	29,201	271	119,208	5,308	37,801
Network	12,118	113	49,469	2,203	15,687
Non-network	17,083	159	69,738	3,105	22,114
Expenditure on assets	27,862	259	113,740	5,065	36,067
Network	26,303	244	107,377	4,781	34,050
Non-network	1,559	14	6,363	283	2,018

17 1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
Total consumer line charge revenue	105,597	981
Standard consumer line charge revenue	105,597	981
Non-standard consumer line charge revenue	–	–

23 1(iii): Service intensity measures

Demand density	45	Maximum coincident system demand per km of circuit length (for supply) (kW/km)
Volume density	182	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
Connection point density	20	Average number of ICPs per km of circuit length (for supply) (ICPs/km)
Energy intensity	9,288	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)

30 1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	12,150	27.29%
Pass-through and recoverable costs excluding financial incentives and wash-ups	10,898	24.48%
Total depreciation	7,315	16.43%
Total revaluations	2,600	5.84%
Regulatory tax allowance	2,472	5.55%
Regulatory profit/(loss) including financial incentives and wash-ups	14,290	32.09%
Total regulatory income	44,526	

40 1(v): Reliability

Interruption rate	16.78	Interruptions per 100 circuit km
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SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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

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

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sch ref

2(i): Return on Investment		CY-2	CY-1	Current Year CY
		31 Mar 17	31 Mar 18	31 Mar 19
		%	%	%
ROI – comparable to a post tax WACC				
	Reflecting all revenue earned	8.70%	7.29%	7.99%
	Excluding revenue earned from financial incentives	8.70%	7.29%	7.99%
	Excluding revenue earned from financial incentives and wash-ups	8.70%	7.29%	7.99%
Mid-point estimate of post tax WACC				
	25th percentile estimate	4.77%	5.04%	4.75%
	75th percentile estimate	4.05%	4.36%	4.07%
		5.48%	5.72%	5.43%
ROI – comparable to a vanilla WACC				
	Reflecting all revenue earned	9.25%	7.86%	8.50%
	Excluding revenue earned from financial incentives	9.25%	7.86%	8.50%
	Excluding revenue earned from financial incentives and wash-ups	9.25%	7.86%	8.50%
WACC rate used to set regulatory price path				
Mid-point estimate of vanilla WACC				
	25th percentile estimate	5.31%	5.60%	5.26%
	75th percentile estimate	4.59%	4.92%	4.58%
		6.03%	6.29%	5.94%
2(ii): Information Supporting the ROI		(\$000)		
	Total opening RAB value	175,934		
	plus Opening deferred tax	(6,299)		
	Opening RIV		169,635	
	Line charge revenue		43,936	
	Expenses cash outflow	23,048		
	add Assets commissioned	8,888		
	less Asset disposals	470		
	add Tax payments	1,572		
	less Other regulated income	590		
	Mid-year net cash outflows		32,448	
	Term credit spread differential allowance		–	
	Total closing RAB value	179,637		
	less Adjustment resulting from asset allocation	(0)		
	less Lost and found assets adjustment	–		
	plus Closing deferred tax	(7,200)		
	Closing RIV		172,437	
ROI – comparable to a vanilla WACC				8.50%
	Leverage (%)			42%
	Cost of debt assumption (%)			4.32%
	Corporate tax rate (%)			28%
ROI – comparable to a post tax WACC				7.99%

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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

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2(iii): Information Supporting the Monthly ROI

Opening RIV N/A

	Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
April						-
May						-
June						-
July						-
August						-
September						-
October						-
November						-
December						-
January						-
February						-
March						-
Total	-	-	-	-	-	-

Tax payments N/A

Term credit spread differential allowance N/A

Closing RIV N/A

Monthly ROI – comparable to a vanilla WACC N/A

Monthly ROI – comparable to a post tax WACC N/A

2(iv): Year-End ROI Rates for Comparison Purposes

Year-end ROI – comparable to a vanilla WACC 8.21%

Year-end ROI – comparable to a post tax WACC 7.70%

** 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.*

2(v): Financial Incentives and Wash-Ups

Net recoverable costs allowed under incremental rolling incentive scheme	-
Purchased assets – avoided transmission charge	
Energy efficiency and demand incentive allowance	
Quality incentive adjustment	
Other financial incentives	
Financial incentives	-

Impact of financial incentives on ROI -

Input methodology claw-back	
CPP application recoverable costs	
Catastrophic event allowance	
Capex wash-up adjustment	
Transmission asset wash-up adjustment	
2013–15 NPV wash-up allowance	
Reconsideration event allowance	
Other wash-ups	
Wash-up costs	-

Impact of wash-up costs on ROI -

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		43,936
9	plus Gains / (losses) on asset disposals		(437)
10	plus Other regulated income (other than gains / (losses) on asset disposals)		1,027
11			
12	Total regulatory income		44,526
13	Expenses		
14	less Operational expenditure		12,150
15	less Pass-through and recoverable costs excluding financial incentives and wash-ups		10,898
16			
17	Operating surplus / (deficit)		21,478
18	less Total depreciation		7,315
19	plus Total revaluations		2,600
20			
21	Regulatory profit / (loss) before tax		16,763
22	less Term credit spread differential allowance		–
23	less Regulatory tax allowance		2,472
24			
25	Regulatory profit/(loss) including financial incentives and wash-ups		14,290
26			
27			
28			
29			
30			
31			
32			
33	3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups	(\$000)	
34	Pass through costs		
35	Rates		136
36	Commerce Act levies		
37	Industry levies		120
38	CPP specified pass through costs		
39	Recoverable costs excluding financial incentives and wash-ups		
40	Electricity lines service charge payable to Transpower		9,062
41	Transpower new investment contract charges		
42	System operator services		
43	Distributed generation allowance		
44	Extended reserves allowance		
45	Other recoverable costs excluding financial incentives and wash-ups		1,580
46	Pass-through and recoverable costs excluding financial incentives and wash-ups		10,898
47			
48	3(iii): Incremental Rolling Incentive Scheme	(\$000)	
49			
50		CY-1	CY
51		31 Mar 18	31 Mar 19
52	Allowed controllable opex	n/a	n/a
53	Actual controllable opex	n/a	n/a
54	Incremental change in year		n/a
55			
56		Previous years' incremental change	Previous years' incremental change adjusted for inflation
57	CY-5 31 Mar 14	n/a	n/a
58	CY-4 31 Mar 15	n/a	n/a
59	CY-3 31 Mar 16	n/a	n/a
60	CY-2 31 Mar 17	n/a	n/a
61	CY-1 31 Mar 18	n/a	n/a
62	Net incremental rolling incentive scheme		–
63			
64	Net recoverable costs allowed under incremental rolling incentive scheme		–

Company Name **Electra Limited**
For Year Ended **31 March 2019**

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).

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sch ref

65 **3(iv): Merger and Acquisition Expenditure**

70

66 Merger and acquisition expenditure

(\$000)

n/a

67

68 *Provide commentary on the benefits of merger and acquisition expenditure to the electricity distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)*

69 **3(v): Other Disclosures**

70

71 Self-insurance allowance

(\$000)

n/a

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 15 (\$000)	RAB 31 Mar 16 (\$000)	RAB 31 Mar 17 (\$000)	RAB 31 Mar 18 (\$000)	RAB 31 Mar 19 (\$000)
Total opening RAB value	144,018	146,671	158,039	169,631	175,934
less Total depreciation	5,657	5,631	6,200	6,833	7,315
plus Total revaluations	120	855	3,405	1,855	2,600
plus Assets commissioned	8,624	17,143	15,361	11,818	8,888
less Asset disposals	434	1,000	974	536	470
plus Lost and found assets adjustment	-	-	-	-	-
plus Adjustment resulting from asset allocation	(0)	-	0	(0)	(0)
Total closing RAB value	146,671	158,039	169,631	175,934	179,637

4(ii): Unallocated Regulatory Asset Base

	Unallocated RAB * (\$000)	RAB (\$000)
Total opening RAB value	175,934	175,934
less Total depreciation	7,315	7,315
plus Total revaluations	2,600	2,600
plus Assets commissioned (other than below)	8,888	8,888
Assets acquired from a regulated supplier	-	-
Assets acquired from a related party	-	-
Assets commissioned	8,888	8,888
less Asset disposals (other than below)	470	470
Asset disposals to a regulated supplier	-	-
Asset disposals to a related party	-	-
Asset disposals	470	470
plus Lost and found assets adjustment	-	-
plus Adjustment resulting from asset allocation	-	(0)
Total closing RAB value	179,637	179,637

* 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.

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

CPI _t	1.026
CPI _{t-4}	1.011
Revaluation rate (%)	1.48%

	Unallocated RAB * (\$000)	RAB (\$000)
Total opening RAB value	175,934	175,934
less Opening value of fully depreciated, disposed and lost assets	686	686
Total opening RAB value subject to revaluation	175,248	175,248
Total revaluations	2,600	2,600

4(iv): Roll Forward of Works Under Construction

	Unallocated works under construction	Allocated works under construction
Works under construction—preceding disclosure year	1,739	1,739
plus Capital expenditure	11,726	11,726
less Assets commissioned	8,888	8,888
plus Adjustment resulting from asset allocation	-	-
Works under construction - current disclosure year	4,577	4,577
Highest rate of capitalised finance applied	-	4.08%

4(v): Regulatory Depreciation

	Unallocated RAB * (\$000)	RAB (\$000)
Depreciation - standard	7,315	7,315
Depreciation - no standard life assets	-	-
Depreciation - modified life assets	-	-
Depreciation - alternative depreciation in accordance with CPP	-	-
Total depreciation	7,315	7,315

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

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

(\$000 unless otherwise specified)

		Depreciation charge for the period (RAB)	Closing RAB value under 'non-standard' depreciation	Closing RAB value under 'standard' depreciation
86	Asset or assets with changes to depreciation*			
87	Reason for non-standard depreciation (text entry)			
88				
89				
90				
91				
92				
93				
94				
95				

* include additional rows if needed

96 **4(vii): Disclosure by Asset Category**

(\$000 unless otherwise specified)

	Subtransmission lines	Subtransmission cables	Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total	
98											
99	Total opening RAB value	8,290	10,196	29,616	36,788	36,823	26,338	12,427	12,798	2,659	175,934
100	less Total depreciation	320	245	1,124	1,342	1,086	903	469	1,314	513	7,315
101	plus Total revaluations	123	151	438	546	546	386	183	189	37	2,600
102	plus Assets commissioned	502	31	191	3,937	332	894	1,677	900	424	8,888
103	less Asset disposals	-	-	27	-	-	294	95	-	54	470
104	plus Lost and found assets adjustment	-	-	-	-	-	-	-	-	-	-
105	plus Adjustment resulting from asset allocation	-	-	-	-	-	-	-	-	-	-
106	plus Asset category transfers	-	-	-	-	-	-	-	-	-	-
107	Total closing RAB value	8,595	10,133	29,094	39,930	36,615	26,421	13,723	12,573	2,554	179,637
108											
109	Asset Life										
110	Weighted average remaining asset life	30.1	43.2	36.1	34.9	39.4	34.8	31.1	19.3	10.3	(years)
111	Weighted average expected total asset life	52.6	55.3	48.6	55.0	61.8	45.0	37.3	30.4	13.5	(years)

SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

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

sch ref

		(\$000)	
7	5a(i): Regulatory Tax Allowance		
8	Regulatory profit / (loss) before tax		16,763
9			
10	<i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable	2,255	*
11	Expenditure or loss in regulatory profit / (loss) before tax but not deductible	116	*
12	Amortisation of initial differences in asset values	2,616	
13	Amortisation of revaluations	594	
14			5,581
15			
16	<i>less</i> Total revaluations	2,600	
17	Income included in regulatory profit / (loss) before tax but not taxable	-	*
18	Discretionary discounts and customer rebates	7,900	
19	Expenditure or loss deductible but not in regulatory profit / (loss) before tax	-	*
20	Notional deductible interest	3,013	
21			13,514
22			
23	Regulatory taxable income		8,830
24			
25	<i>less</i> Utilised tax losses	-	
26	Regulatory net taxable income		8,830
27			
28	Corporate tax rate (%)	28%	
29	Regulatory tax allowance		2,472
30			
31	* Workings to be provided in Schedule 14		
32	5a(ii): Disclosure of Permanent Differences		
33	In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).		
34	5a(iii): Amortisation of Initial Difference in Asset Values		(\$000)
35			
36	Opening unamortised initial differences in asset values	70,259	
37	<i>less</i> Amortisation of initial differences in asset values	2,616	
38	<i>plus</i> Adjustment for unamortised initial differences in assets acquired	-	
39	<i>less</i> Adjustment for unamortised initial differences in assets disposed	208	
40	Closing unamortised initial differences in asset values		67,434
41			
42	Opening weighted average remaining useful life of relevant assets (years)		27
43			
44	5a(iv): Amortisation of Revaluations		(\$000)
45			
46	Opening sum of RAB values without revaluations	161,853	
47			
48	Adjusted depreciation	6,722	
49	Total depreciation	7,315	
50	Amortisation of revaluations		594
51			
52	5a(v): Reconciliation of Tax Losses		(\$000)
53			
54	Opening tax losses	-	
55	<i>plus</i> Current period tax losses	-	
56	<i>less</i> Utilised tax losses	-	
57	Closing tax losses		-

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(vi): Calculation of Deferred Tax Balance			(\$000)
58			
59	Opening deferred tax	(6,299)	
60			
61			
62	plus Tax effect of adjusted depreciation	1,882	
63			
64	less Tax effect of tax depreciation	2,127	
65			
66	plus Tax effect of other temporary differences*	10	
67			
68	less Tax effect of amortisation of initial differences in asset values	733	
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	(68)	
73			
74	plus Deferred tax cost allocation adjustment	0	
75			
76	Closing deferred tax		(7,200)
77			
78	5a(vii): Disclosure of Temporary Differences		
79	<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>		
80			
81	5a(viii): Regulatory Tax Asset Base Roll-Forward		
82			(\$000)
83	Opening sum of regulatory tax asset values	76,761	
84	less Tax depreciation	7,596	
85	plus Regulatory tax asset value of assets commissioned	8,886	
86	less Regulatory tax asset value of asset disposals	229	
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		77,822

SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

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

sch ref

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

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	Debt issue cost readjustment
* include additional rows if needed						-	-	-

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

Gross term credit spread differential								
Total book value of interest bearing debt								
Leverage			42%					
Average opening and closing RAB values								
Attribution Rate (%)								
Term credit spread differential allowance								

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.

This information is part of audited disclosure information (as defined in section 14 of the ID determination) and so is subject to the assurance report required by section 28

sch ref

7 **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		1,666			
11	Not directly attributable		-			
12	Total attributable to regulated service		1,666			
13	Vegetation management					
14	Directly attributable		1,852			
15	Not directly attributable		-			
16	Total attributable to regulated service		1,852			
17	Routine and corrective maintenance and inspection					
18	Directly attributable		1,053			
19	Not directly attributable		-			
20	Total attributable to regulated service		1,053			
21	Asset replacement and renewal					
22	Directly attributable		471			
23	Not directly attributable		-			
24	Total attributable to regulated service		471			
25	System operations and network support					
26	Directly attributable		2,599			
27	Not directly attributable		-			
28	Total attributable to regulated service		2,599			
29	Business support					
30	Directly attributable		1,534			
31	Not directly attributable		2,976		2,976	
32	Total attributable to regulated service		4,509			
33	Operating costs directly attributable		9,174			
34	Operating costs not directly attributable	-	2,976	-	2,976	-
35	Operational expenditure		12,150			

39 **5d(ii): Other Cost Allocations**

		(\$000)
40	Pass through and recoverable costs	
41	Pass through costs	
42	Directly attributable	256
43	Not directly attributable	-
44	Total attributable to regulated service	256
45	Recoverable costs	
46	Directly attributable	10,642
47	Not directly attributable	-
48	Total attributable to regulated service	10,642

50 **5d(iii): Changes in Cost Allocations* †**

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

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

Company Name
For Year Ended

Electra Limited
31 March 2019

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

sch ref	5e(i): Regulated Service Asset Values	Value allocated (\$000s) Electricity distribution services
7		
8		
9		
10	Subtransmission lines	
11	Directly attributable	8,595
12	Not directly attributable	
13	Total attributable to regulated service	8,595
14	Subtransmission cables	
15	Directly attributable	10,133
16	Not directly attributable	
17	Total attributable to regulated service	10,133
18	Zone substations	
19	Directly attributable	29,094
20	Not directly attributable	
21	Total attributable to regulated service	29,094
22	Distribution and LV lines	
23	Directly attributable	39,930
24	Not directly attributable	
25	Total attributable to regulated service	39,930
26	Distribution and LV cables	
27	Directly attributable	36,615
28	Not directly attributable	
29	Total attributable to regulated service	36,615
30	Distribution substations and transformers	
31	Directly attributable	26,421
32	Not directly attributable	
33	Total attributable to regulated service	26,421
34	Distribution switchgear	
35	Directly attributable	13,723
36	Not directly attributable	
37	Total attributable to regulated service	13,723
38	Other network assets	
39	Directly attributable	12,573
40	Not directly attributable	
41	Total attributable to regulated service	12,573
42	Non-network assets	
43	Directly attributable	2,554
44	Not directly attributable	
45	Total attributable to regulated service	2,554
46		
47	Regulated service asset value directly attributable	179,637
48	Regulated service asset value not directly attributable	-
49	Total closing RAB value	179,637
50		

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

				(\$000)	
				CY-1	Current Year (CY)
51	5e(ii): Changes in Asset Allocations* †				
52					
53	Change in asset value allocation 1				
54	Asset category		Original allocation		
55	Original allocator or line items		New allocation		
56	New allocator or line items		Difference	-	-
57					
58	Rationale for change				
59					
60					
61					
62	Change in asset value allocation 2				
63	Asset category		Original allocation		
64	Original allocator or line items		New allocation		
65	New allocator or line items		Difference	-	-
66					
67	Rationale for change				
68					
69					
70					
71	Change in asset value allocation 3				
72	Asset category		Original allocation		
73	Original allocator or line items		New allocation		
74	New allocator or line items		Difference	-	-
75					
76	Rationale for change				
77					
78					

* 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 n
 † include additional rows if needed

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

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs.

EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).

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

sch ref

7	6a(i): Expenditure on Assets		(\$000)	(\$000)
8	Consumer connection			–
9	System growth			–
10	Asset replacement and renewal			8,468
11	Asset relocations			19
12	Reliability, safety and environment:			
13	Quality of supply		2,036	
14	Legislative and regulatory		–	
15	Other reliability, safety and environment		421	
16	Total reliability, safety and environment			2,457
17	Expenditure on network assets			10,944
18	Expenditure on non-network assets			649
19				
20	Expenditure on assets			11,593
21	plus Cost of financing			70
22	less Value of capital contributions			–
23	plus Value of vested assets			64
24				
25	Capital expenditure			11,726

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		(\$000)	(\$000)
31	Consumer types defined by EDB*			
32				
33				
34				
35				
36				
37	* include additional rows if needed			
38	Consumer connection expenditure			–
39				
40	less Capital contributions funding consumer connection expenditure			–
41	Consumer connection less capital contributions			–

42	6a(iv): System Growth and Asset Replacement and Renewal		System Growth	Asset Replacement and Renewal
43			(\$000)	(\$000)
44				
45	Subtransmission		–	1,115
46	Zone substations		–	401
47	Distribution and LV lines		–	4,176
48	Distribution and LV cables		–	1,193
49	Distribution substations and transformers		–	915
50	Distribution switchgear		–	557
51	Other network assets		–	111
52	System growth and asset replacement and renewal expenditure		–	8,468
53	less Capital contributions funding system growth and asset replacement and renewal			
54	System growth and asset replacement and renewal less capital contributions		–	8,468
55				

56	6a(v): Asset Relocations		(\$000)	(\$000)
57	Project or programme*			
58				
59				
60				
61				
62				
63	* include additional rows if needed			
64	All other projects or programmes - asset relocations		19	
65	Asset relocations expenditure			19
66	less Capital contributions funding asset relocations			
67	Asset relocations less capital contributions			19
68				

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)
69	6a(vi): Quality of Supply		
70	<i>Project or programme*</i>		
71	11kV link Waitohu Valley Rd	358	
72	Tararua Road new circuit	188	
73	Install a new CFCF switch near C150	134	
74	Install a new CFCF switch near T71	122	
75	Tesla Protection Work	111	
	SCADA	100	
76	<i>* include additional rows if needed</i>		
77	All other projects programmes - quality of supply	1,024	
78	Quality of supply expenditure		2,036
79	less Capital contributions funding quality of supply		
80	Quality of supply less capital contributions		2,036
81	6a(vii): Legislative and Regulatory		
82	<i>Project or programme*</i>		
83	N/A		
84			
85			
86			
87			
88	<i>* include additional rows if needed</i>		
89	All other projects or programmes - legislative and regulatory		
90	Legislative and regulatory expenditure		-
91	less 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>		
95	SCADA	73	
96			
97			
98			
99			
100	<i>* include additional rows if needed</i>		
101	All other projects or programmes - other reliability, safety and environment	348	
102	Other reliability, safety and environment expenditure		421
103	less Capital contributions funding other reliability, safety and environment		
104	Other reliability, safety and environment less capital contributions		421
105			
106	6a(ix): Non-Network Assets		
107	Routine expenditure		
108	<i>Project or programme*</i>		
109	Computer Hardware replacements	483	
110	Replacement Field Computing Solution	166	
111		-	
112		-	
113		-	
114	<i>* include additional rows if needed</i>		
115	All other projects or programmes - routine expenditure		
116	Routine expenditure		649
117	Atypical expenditure		
118	<i>Project or programme*</i>		
119			
120			
121			
122			
123			
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		649

Company Name **Electra Limited**

For Year Ended **31 March 2019**

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	1,666	
9	Vegetation management	1,852	
10	Routine and corrective maintenance and inspection	1,053	
11	Asset replacement and renewal	471	
12	Network opex		5,042
13	System operations and network support	2,599	
14	Business support	4,509	
15	Non-network opex		7,108
16			
17	Operational expenditure		12,150
18	6b(ii): Subcomponents of Operational Expenditure (where known)		
19	Energy efficiency and demand side management, reduction of energy losses		-
20	Direct billing*		-
21	Research and development		-
22	Insurance		409
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

	Target (\$000) ¹	Actual (\$000)	% variance
7(i): Revenue			
Line charge revenue	43,193	43,936	2%
7(ii): Expenditure on Assets	Forecast (\$000) ²	Actual (\$000)	% variance
Consumer connection	95	–	(100%)
System growth	–	–	–
Asset replacement and renewal	7,589	8,468	12%
Asset relocations	–	19	–
Reliability, safety and environment:			
Quality of supply	2,978	2,036	(32%)
Legislative and regulatory	–	–	–
Other reliability, safety and environment	420	421	0%
Total reliability, safety and environment	3,398	2,457	(28%)
Expenditure on network assets	11,082	10,944	(1%)
Expenditure on non-network assets	1,298	649	(50%)
Expenditure on assets	12,380	11,593	(6%)
7(iii): Operational Expenditure			
Service interruptions and emergencies	1,858	1,666	(10%)
Vegetation management	1,358	1,852	36%
Routine and corrective maintenance and inspection	1,121	1,053	(6%)
Asset replacement and renewal	341	471	38%
Network opex	4,678	5,042	8%
System operations and network support	3,111	2,599	(16%)
Business support	4,625	4,509	(3%)
Non-network opex	7,736	7,108	(8%)
Operational expenditure	12,414	12,150	(2%)
7(iv): Subcomponents of Expenditure on Assets (where known)			
Energy efficiency and demand side management, reduction of energy losses	–	–	–
Overhead to underground conversion	–	–	–
Research and development	–	–	–
7(v): Subcomponents of Operational Expenditure (where known)			
Energy efficiency and demand side management, reduction of energy losses	–	–	–
Direct billing	–	–	–
Research and development	–	–	–
Insurance	–	409	–

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	Electra Limited
For Year Ended	31 March 2019
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

sch ref	Voltage	Asset category	Asset class	Units	Items at start of	Items at end of	Net change	Data accuracy
					year (quantity)	year (quantity)		(1-4)
8	All	Overhead Line	Concrete poles / steel structure	No.	20,282	20,291	9	3
9	All	Overhead Line	Wood poles	No.	1,155	1,153	(2)	3
10	All	Overhead Line	Other pole types	No.	-	-	-	N/A
11	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	151	152	1	4
12	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
13	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	29	29	0	4
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	N/A
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	N/A
17	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	N/A
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	N/A
21	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	N/A
22	HV	Zone substation Buildings	Zone substations up to 66kV	No.	10	10	-	4
23	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	N/A
24	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	N/A
25	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	N/A
26	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	N/A
27	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	68	68	-	4
28	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	N/A
29	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	34	38	4	4
30	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	21	18	(3)	4
31	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	81	78	(3)	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	N/A
33	HV	Zone Substation Transformer	Zone Substation Transformers	No.	19	19	-	4
34	HV	Distribution Line	Distribution OH Open Wire Conductor	km	848	848	0	4
35	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	N/A
36	HV	Distribution Line	SWER conductor	km	-	-	-	N/A
37	HV	Distribution Cable	Distribution UG XLPE or PVC	km	118	123	5	4
38	HV	Distribution Cable	Distribution UG PILC	km	117	118	1	4
39	HV	Distribution Cable	Distribution Submarine Cable	km	-	-	-	N/A
40	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	40	46	6	4
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	-	N/A
42	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	2,813	2,796	(17)	3
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	-	-	-	N/A
44	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	144	148	4	3
45	HV	Distribution Transformer	Pole Mounted Transformer	No.	1,594	1,604	10	3
46	HV	Distribution Transformer	Ground Mounted Transformer	No.	933	949	16	3
47	HV	Distribution Transformer	Voltage regulators	No.	-	-	-	N/A
48	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	N/A
49	LV	LV Line	LV OH Conductor	km	525	524	(1)	4
50	LV	LV Cable	LV UG Cable	km	487	494	7	4
51	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	64	64	-	3
52	LV	Connections	OH/UG consumer service connections	No.	45,437	45,847	410	3
53	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	118	126	8	3
54	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	-	4
55	All	Capacitor Banks	Capacitors including controls	No.	-	-	-	N/A
56	All	Load Control	Centralised plant	Lot	2	2	-	4
57	All	Load Control	Relays	No.	1,924	1,924	-	2
58	All	Civils	Cable Tunnels	km	-	-	-	N/A

SCHEDULE 9b: ASSET AGE PROFILE

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

sch ref	Disclosure Year (year ended)	Number of assets at disclosure year end by installation date																												No. with age unknown	Items at end of year (quantity)	No. with default dates	Data accuracy				
		pre-1940	1940-1949	1950-1959	1960-1969	1970-1979	1980-1989	1990-1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019									
9	Voltage																																				
	Asset category																																				
	Asset class																																				
10	All	Overhead Line	Concrete poles / steel structure	No.	2	27	39				962			4	7	7	10	5		3	14		10	7	14	4	1	4		3	2	28	1,153	3			
11	All	Overhead Line	Wood poles	No.																																	
12	All	Overhead Line	Other pole types	No.																																	
13	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km		25			69	8	29			4				8	0							2	0	1		1	4		152	4			
14	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km																																	
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km						13				1	6											0	7	1	0			0		29			
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km																																	
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km																																	
18	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km																																	
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km																																	
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km																																	
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km																																	
22	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km																																	
23	HV	Subtransmission Cable	Subtransmission submarine cable	km																																	
24	HV	Zone substation Buildings	Zone substations up to 66kV	No.				2	3	3						1																		10			
25	HV	Zone substation Buildings	Zone substations 110kV+	No.																																	
26	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.																																	
27	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.																																	
28	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.																																	
29	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.				2	12	17	27																							68	3		
30	HV	Zone substation switchgear	33kV RMU	No.																																	
31	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.					2	10						4	1	3			1													38	4		
32	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.													4																				
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.						11	17	6		7		7	2	1	8																18	4	
34	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.																																	
35	HV	Zone Substation Transformer	Zone Substation Transformers	No.				1	8	1	2	1		1	1	2																			19	3	
36	HV	Distribution Line	Distribution OH Open Wire Conductor	km		14	48	179	212	216	59	2	0	9	8	3	4	1	5	4	2	4	6	3	5	8	17	17	4	8	7	0	848	3			
37	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km																																	
38	HV	Distribution Line	SWER conductor	km																																	
39	HV	Distribution Cable	Distribution UG XLPE or PVC	km				0	1	2	24	6	6	2	7	5	7	4		2	12		8	3	1	2	3	3	8	5	3	3	4	0	123	3	
40	HV	Distribution Cable	Distribution UG PILC	km				17	49	49	1	0	0	2	0	0	0																		0	118	3
41	HV	Distribution Cable	Distribution Submarine Cable	km																																	
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionaliser	No.							16			2	3	1																			6	46	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.																																	
44	HV	Distribution switchgear	3.3/6.6/11/22kV switches and fuses (pole mounted)	No.	1		11	146	309	498	420	48	8	43	65	35	60	67	65	56	35	25	25	6	24	111	161	173	112	78	22	192	2,796	3			
45	HV	Distribution switchgear	3.3/6.6/11/22kV switch (ground mounted) - except RMU	No.																																	
46	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.				4	4	7	1	2	6	1	1					1	5	6	13	27	8	33	18	11	9	7	6	1	148	4			
47	HV	Distribution Transformer	Pole Mounted Transformer	No.	3	3	28	70	183	243	169	50	31	33	37	33	30	39	40	58	95	63	62	20	54	52	76	54	28	44	4	2	1,604	3			
48	HV	Distribution Transformer	Ground Mounted Transformer	No.		2		27	116	135	79	15	18	29	20	35	50	28	37	79	22	18	26	32	29	33	31	32	24	26	5	1	949	3			
49	HV	Distribution Transformer	Voltage regulators	No.																																	
50	HV	Distribution Substations	Ground Mounted Substation Housing	No.																																	
51	LV	LV Line	LV OH Conductor	km		55	66	155	107	71	20	0	6	0	0	0	1	0	1	0	1	0	1	0	1	2	4	3	2	2	1	25	524	3			
52	LV	LV Cable	LV UG Cable	km				26	87	73	62	9	9	9	19	21	26	18	17	26	17	9	7	5	8	4	6	5	2	3	28	494	3				
53	LV	LV Street lighting	LV OH/UG Streetlight circuit	km																															63	64	
54	LV	Connections	OH/UG consumer service connections	No.							21	775	685	614	660	657	725	666	643	677	408	357	360	331	369	403	390	388	552	536	413	35,217	45,847	3			
55	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.						15	24	7	7	3	4	6	2	1	19															11	126	3	
56	All	SCADA and communications	SCADA and communications equipment operating as a single sys	Lot																																1	2
57	All	Capacitor Banks	Capacitors including controls	Lot																																	
58	All	Load Control	Centralised plant	Lot							1																									2	4
59	All	Load Control	Relays	Lot								16	21	31	31	20	37	53	30	42	83	23	17	27	27	32	29							1,436	1,924	2	
60	All	Civils	Cable Tunnels	km		</																															

Company Name **Electra Limited**

For Year Ended **31 March 2019**

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

9

		Overhead (km)	Underground (km)	Total circuit length (km)
10	Circuit length by operating voltage (at year end)			
11	> 66kV	-	-	-
12	50kV & 66kV	-	-	-
13	33kV	152	29	182
14	SWER (all SWER voltages)	-	-	-
15	22kV (other than SWER)	-	-	-
16	6.6kV to 11kV (inclusive—other than SWER)	848	242	1,090
17	Low voltage (< 1kV)	524	494	1,018
18	Total circuit length (for supply)	1,524	765	2,289

19				
20	Dedicated street lighting circuit length (km)	14	50	64
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)			15
22				

		Circuit length (km)	(% of total overhead length)
23	Overhead circuit length by terrain (at year end)		
24	Urban	442	29%
25	Rural	473	31%
26	Remote only	-	-
27	Rugged only	610	40%
28	Remote and rugged	-	-
29	Unallocated overhead lines	-	-
30	Total overhead length	1,524	100%
31			

		Circuit length (km)	(% of total circuit length)
32			
33	Length of circuit within 10km of coastline or geothermal areas (where known)	1,877	82%

		Circuit length (km)	(% of total overhead length)
34			
35	Overhead circuit requiring vegetation management	1,524	100%

Company Name **Electra Limited**
 For Year Ended **31 March 2019**

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	N/A		
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 **Electra Limited**For Year Ended **31 March 2019**

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

9e(i): Consumer Connections

Number of ICPS connected in year by consumer type

Consumer types defined by EDB*

All

* include additional rows if needed

Connections total

Number of connections (ICPs)

410

410

Distributed generation

Number of connections made in year

104 connections

Capacity of distributed generation installed in year

0.41 MVA

9e(ii): System Demand**Maximum coincident system demand**

GXP demand

72

plus Distributed generation output at HV and above

30

Maximum coincident system demand

102

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

-

Demand on system for supply to consumers' connection points

102

Demand at time of maximum coincident demand (MW)

Electricity volumes carried

Electricity supplied from GXPs

374

less Electricity exports to GXPs

-

plus Electricity supplied from distributed generation

72

less Net electricity supplied to (from) other EDBs

-

Electricity entering system for supply to consumers' connection points

447

less Total energy delivered to ICPS

416

Electricity losses (loss ratio)

31 6.9%

Load factor

0.50

9e(iii): Transformer Capacity

Distribution transformer capacity (EDB owned)

321

Distribution transformer capacity (Non-EDB owned, estimated)

14

Total distribution transformer capacity

335

Zone substation transformer capacity

358

(MVA)

Company Name **Electra Limited**For Year Ended **31 March 2019**

Network / Sub-network Name

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

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

sch ref

8 10(i): Interruptions**9 Interruptions by class****Number of interruptions**

10	Class A (planned interruptions by Transpower)	-
11	Class B (planned interruptions on the network)	168
12	Class C (unplanned interruptions on the network)	216
13	Class D (unplanned interruptions by Transpower)	-
14	Class E (unplanned interruptions of EDB owned generation)	-
15	Class F (unplanned interruptions of generation owned by others)	-
16	Class G (unplanned interruptions caused by another disclosing entity)	-
17	Class H (planned interruptions caused by another disclosing entity)	-
18	Class I (interruptions caused by parties not included above)	-
19	Total	384

21 Interruption restoration**≤3Hrs >3hrs**

22	Class C interruptions restored within	184	32
----	---------------------------------------	-----	----

24 SAIFI and SAIDI by class**SAIFI SAIDI**

25	Class A (planned interruptions by Transpower)	-	-
26	Class B (planned interruptions on the network)	0.10	32.32
27	Class C (unplanned interruptions on the network)	1.17	57.00
28	Class D (unplanned interruptions by Transpower)	-	-
29	Class E (unplanned interruptions of EDB owned generation)	-	-
30	Class F (unplanned interruptions of generation owned by others)	-	-
31	Class G (unplanned interruptions caused by another disclosing entity)	-	-
32	Class H (planned interruptions caused by another disclosing entity)	-	-
33	Class I (interruptions caused by parties not included above)	-	-
34	Total	1.26	89.33

36 Normalised SAIFI and SAIDI**Normalised SAIFI Normalised SAIDI**

37	Classes B & C (interruptions on the network)	1.26	89.33
----	--	------	-------

39 10(ii): Class C Interruptions and Duration by Cause**41 Cause****SAIFI SAIDI**

42	Lightning	0.02	2.11
43	Vegetation	0.12	4.05
44	Adverse weather	0.05	2.80
45	Adverse environment	-	-
46	Third party interference	0.17	17.69
47	Wildlife	0.42	12.36
48	Human error	0.00	0.05
49	Defective equipment	0.26	13.94
50	Cause unknown	0.13	4.02

52 10(iii): Class B Interruptions and Duration by Main Equipment Involved**54 Main equipment involved****SAIFI SAIDI**

55	Subtransmission lines	0.00	0.72
56	Subtransmission cables	-	-
57	Subtransmission other	-	-
58	Distribution lines (excluding LV)	0.06	21.08
59	Distribution cables (excluding LV)	0.03	10.48
60	Distribution other (excluding LV)	0.00	0.07

Company Name **Electra Limited**

For Year Ended **31 March 2019**

Network / Sub-network Name

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

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

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

61
62
63
64
65
66
67
68
69

Main equipment involved

Subtransmission lines
Subtransmission cables
Subtransmission other
Distribution lines (excluding LV)
Distribution cables (excluding LV)
Distribution other (excluding LV)

	SAIFI	SAIDI
Subtransmission lines	0.39	10.49
Subtransmission cables	-	-
Subtransmission other	-	-
Distribution lines (excluding LV)	0.65	39.87
Distribution cables (excluding LV)	0.11	5.43
Distribution other (excluding LV)	0.02	1.23

10(v): Fault Rate

70
71
72
73
74
75
76
77
78

Main equipment involved

Subtransmission lines
Subtransmission cables
Subtransmission other
Distribution lines (excluding LV)
Distribution cables (excluding LV)
Distribution other (excluding LV)

	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
Subtransmission lines	3	152	1.97
Subtransmission cables	-	29	-
Subtransmission other	-	-	-
Distribution lines (excluding LV)	184	848	21.70
Distribution cables (excluding LV)	23	242	9.50
Distribution other (excluding LV)	6	-	-
Total	216		

Company Name	<u>Electra Limited</u>
For Year Ended	<u>31 March 2019</u>

Schedule 14 Mandatory Explanatory Notes

(Guidance Note: This Microsoft Word version of Schedules 14, 14a and 15 is from the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018. Clause references in this template are to that determination)

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 11 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

Our disclosed ROI under both a Vanilla (8.5%) and Post tax (8.0%) approach for 2019 is higher than 2018 (7.86% and 7.29% respectively) primarily as a result of a higher work in progress balance. This high balance is attributable to a large capital project that has taken longer than anticipated to commission. The CPI increase (1.48% in 2019 compared with 1.10% in 2018) also resulted in an increase in revaluations of \$2.6m compared with \$1.9m in 2018.

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

Regulatory profit for the year ended March 2019 is \$14.3m, which is an increase of \$1.4m from the previous year. This increase in profit is largely due to higher line charge revenue earned than anticipated as a result of slower customer uptake of time of use pricing, offset by a decrease in Transmission costs.

The 'other regulated income' of \$1m is made up of the following;

- Transmission Rental Rebate \$346k
- Chorus and Vodafone pole rental \$192k
- Recovery of damage to network assets \$160k
- External Contracting \$311k

Merger and acquisition expenses (3(iv) of Schedule 3)

6. If the EDB incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below-

6.1 information on reclassified items in accordance with subclause 2.7.1(2)

6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

Box 3: Explanatory comment on merger and acquisition expenditure

There was no merger or acquisition expenditure for the year ended March 2019.

There have been no reclassified items for the year ended March 2019.

Value of the Regulatory Asset Base (Schedule 4)

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

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

The Regulatory Asset Base (RAB) increased by \$3.7m in the 2019 disclosure year. This increase was due to assets commissioned of \$8.9 plus revaluations of \$2.6m less depreciation of \$7.3m and asset disposals of \$0.5m.

The method of allocating the RAB into asset categories has not changed from the previous disclosure year.

No items have been classified differently from the previous disclosure year.

Details of the movements in asset values are summarised below

Subtransmission lines	Subtransmission cables	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations & transformers	Distribution switchgear	Other network assets	Non-network assets
(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
305	(63)	(522)	3,141	(207)	83	1,296	(225)	(106)

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

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

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

Box 5: Regulatory tax allowance: permanent differences

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

- Interest Received \$581k
- Vested Assets \$1.5m
- Miscellaneous \$78k

Expenditure or loss in regulatory profit / (loss) before tax but not deductible \$116k

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

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

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

Temporary differences amount to \$34k (\$9.5k tax effect) and relate to-

- ACC \$7k
- Doubtful Debts \$51k
- Employee Entitlements (\$24k)

Cost allocation (Schedule 5d)

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

Box 7: Cost allocation

Directly attributable costs to the distribution business are identified by the use of division coding within the general ledger.

Directly attributable costs are primarily incurred in the following areas;

- System Operations and Network Support
- Network Management and Administration
- Customer related costs

Where costs are not directly attributable, Electra has adopted the ABAA methodology to allocate those costs. The use of causal relationships has been utilised where the cost driver has led to the cost being incurred. There have been no proxy relationships used in the disclosure year ending 31 March 2019.

The not directly attributable costs include the following;

- Senior Leadership team (SLT) salaries and wages
- Corporate salaries and wages

Corporate overheads and expenses (including Directors).

Asset allocation (Schedule 5e)

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

Box 8: Commentary on asset allocation

Directly attributable, network business assets \$180 million.

All assets are directly attributable to the regulated service.

There have been no reclassified items.

Capital Expenditure for the Disclosure Year (Schedule 6a)

12. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6a. This comment must include-

12.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;

12.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 9: Explanation of capital expenditure for the disclosure year

Expenditure on assets totalled \$11.7m for 2019, in line with the previous year.

Electra has applied a materiality threshold of \$100k to identify material projects.

There have been no reclassified items.

Further information regarding capital expenditure for the disclosure year is contained in box 12.

Operational Expenditure for the Disclosure Year (Schedule 6b)

13. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-

13.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b;

13.2 Information on reclassified items in accordance with subclause 2.7.1(2);

13.3 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 10: Explanation of operational expenditure for the disclosure year

Electra operational expenditure in the disclosure year was \$12.1m.

In 2019 Electra discontinued the 17.2% previously allowed mark up on operational expenditure from our contracting division per the removed IM determination 2.1.1. For this reason, we have not used previous year results as a comparison.

Further information regarding operational expenditure for the disclosure year is contained in box 11.

Variance between forecast and actual expenditure (Schedule 7)

14. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 11: Explanatory comment on variance in actual to forecast expenditure

Expenditure on Assets

Overall Expenditure on Assets was \$787k below forecast.

- Customer Connections Actual \$0 Forecast \$95k (variance \$95k less than forecast)
The only customer connections incurred were for 3rd party and they are all vested assets. Electra Limited incurred none. Forecast customer connections in the AMP is based on a contribution formula relating to the size and type of developments. This expenditure classification is for any network design improvements due to synergies.
- System Growth – Actual \$0k Forecast \$0k
There were no system growth projects were planned to occur in the disclosure year.
- Asset Replacement and Renewal - Actual \$8.47m Forecast \$7.59m (variance \$0.9m greater than forecast)
Expenditure for this category exceeded forecast mainly due to overspend on a few 11kV reconductoring projects (Waitohu Valley link/upgrade & Convent Road) and additional switchgear replacements & pillars added to the work programme after the forecast was set.
- Asset Relocations – Actual \$19k Forecast \$0 (variance \$19k greater than forecast)
No planned relocations at time of forecasting. Actual costs incurred were for the relocation of duct & cable originally installed through stormwater drain.
- Reliability, Safety and Environment – Actual \$2.5m Forecast \$3.4m (variance \$0.9m less than forecast)
Expenditure in this category was under forecast predominantly due to delay in obtaining specialist reports (external resource constraint) for sub transmission protection jobs and seismic assessment studies for substation buildings.
- Non-Network Assets – Actual \$650k Forecast \$1.3m (variance \$0.65m less than forecast)
Expenditure in this category was under forecast mainly due to improvements being made to systems which was treated as OPEX (predominantly ADMS), taking advantage of SaaS model implementations, and projects being deferred to the following year due to resourcing constraints.

Operational Expenditure

Overall, Operational Expenditure was \$270k under forecast. The following commentary is provided for where the variance against forecast exceeds material threshold level of \$100k:

- Service, interruptions and emergencies - Actual \$1.67m Forecast \$1.86m (variance \$192k less than forecast).

This is predominantly due to improved network reliability and lesser storm events.

- Vegetation Management - Actual \$1.85m Forecast \$1.36m (variance \$494k greater than forecast)
Electra's vegetation management programme has evolved over recent years. During FY 19 Electra has overlaid an additional analytical tool, over and above the requirements of the Electricity (Hazards from Trees) Regulations, to systematically identify the greatest risk to customer service and safety from trees close to network. This has led to a higher than budgeted spend to improve customer experience.
- Routine and Corrective Maintenance and Inspection Actual \$1.05m Forecast \$1.12m (variance \$68k less than forecast)
- Asset replacement and renewal expenditure Actual \$470k Forecast \$340k (variance \$130k greater than forecast)
This was due to additional remedial work identified following additional condition monitoring inspections.
- Non-network operational expenditure Actual \$7.1m Forecast \$7.74m (variance \$0.64m less than forecast)
This is due to less business support costs being attributed to the distribution business.

Information relating to revenues and quantities for the disclosure year

15. In the box below provide-

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

Box 12: Explanatory comment relating to revenue for the disclosure year

Electra total billed line charge revenue was greater than forecast by 1.6% (Actual: \$43.9m Forecast: \$43.2m). This is predominantly due to less customers switching from Uncontrolled to Time of Use pricing than forecast.

Actual units sold were greater than forecast by 2.7% (Actual: 416 kWh Forecast: 405 kWh).

Network losses were greater than forecast at 6.8% (Forecast: 6.7%) predominantly due to non-technical losses.

Network Reliability for the Disclosure Year (Schedule 10)

16. In the box below, comment on network reliability for the disclosure year, as disclosed in Schedule 10.

Box 13: Commentary on network reliability for the disclosure year

Electra's weighted average reliability and cost performance over the last 5 years has been within the best quartile of EDB performance. For the disclosure year 18/19, actual SAIFI was 1.26 which is under our performance target of 1.66. Actual SAIDI for the year was 89.33 minutes which was over the target of 83 minutes. The main contributors were third party and wildlife interferences and an increase in planned maintenance outages.

Performance was impacted by the following significant events in the 2019 disclosure period:

- 19th of May 2018– Car V Pole near Waitarere beach. Isolated F199. This contributed 2.508 SAIDI minutes and 0.021 SAIFI.
- 23rd June 2018 – Car V Pole in Dixie St Te Horo. CB L352 tripped. This contributed 4.953 SAIDI minutes and 0.03 SAIFI.
- 13th of August 2018 – Loss of bulk supply to northern network due to Bird strike on 33kV. This contributed to 10.21 SAIDI minutes and 0.383 SAIFI
- 7th of November 2018 – G310 was tripped due to burnt 11kV cross-arms and it contributed to 2.443 SAIDI minutes and 0.025 SAIFI.
- 2nd of February 2019 – Car V Pole in Rangatira St– this contributed to 3.0031 SAIDI minutes and 0.009 SAIFI.

Insurance cover

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

Box 14: Explanation of insurance cover

Electra Limited had material damage cover for the year 2018-19 as outlined below;

- Buildings \$13.8m
- Stock \$1.4m
- Plant, computer and contents \$51.8m

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 has motor vehicle cover for vehicles owned or used by Electra Limited up to the market value where it relates to a vehicle that is specified on the insured vehicle list. Any new (additional) vehicles, not specifically added to this list during the year, will be insured up to a maximum of \$400k.

Amendments to previously disclosed information

18. 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:
- 18.1 a description of each error; and
 - 18.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.12.1 is publicly disclosed.

Box 15: Disclosure of amendment to previously disclosed information

[Insert text here]

Company Name _____

For Year Ended _____

Schedule 14a Mandatory Explanatory Notes on Forecast Information

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

1. This Schedule requires EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.6.
2. This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a)

3. In the box below, comment on the difference between nominal and constant price capital expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11a.

Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts
10-year planning period – Annual CPI allowance for increased cost, based on construction and compliance costs.

Commentary on difference between nominal and constant price operational expenditure forecasts (Schedule 11b)

4. In the box below, comment on the difference between nominal and constant price operational expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11b.

Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts
Current disclosure year – nil, no impact.

10-year planning period – Annual CPI allowance for increased cost, based on construction and compliance costs.

Company Name Electra Limited
For Year Ended 31 March 2019

Schedule 15 Voluntary Explanatory Notes

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

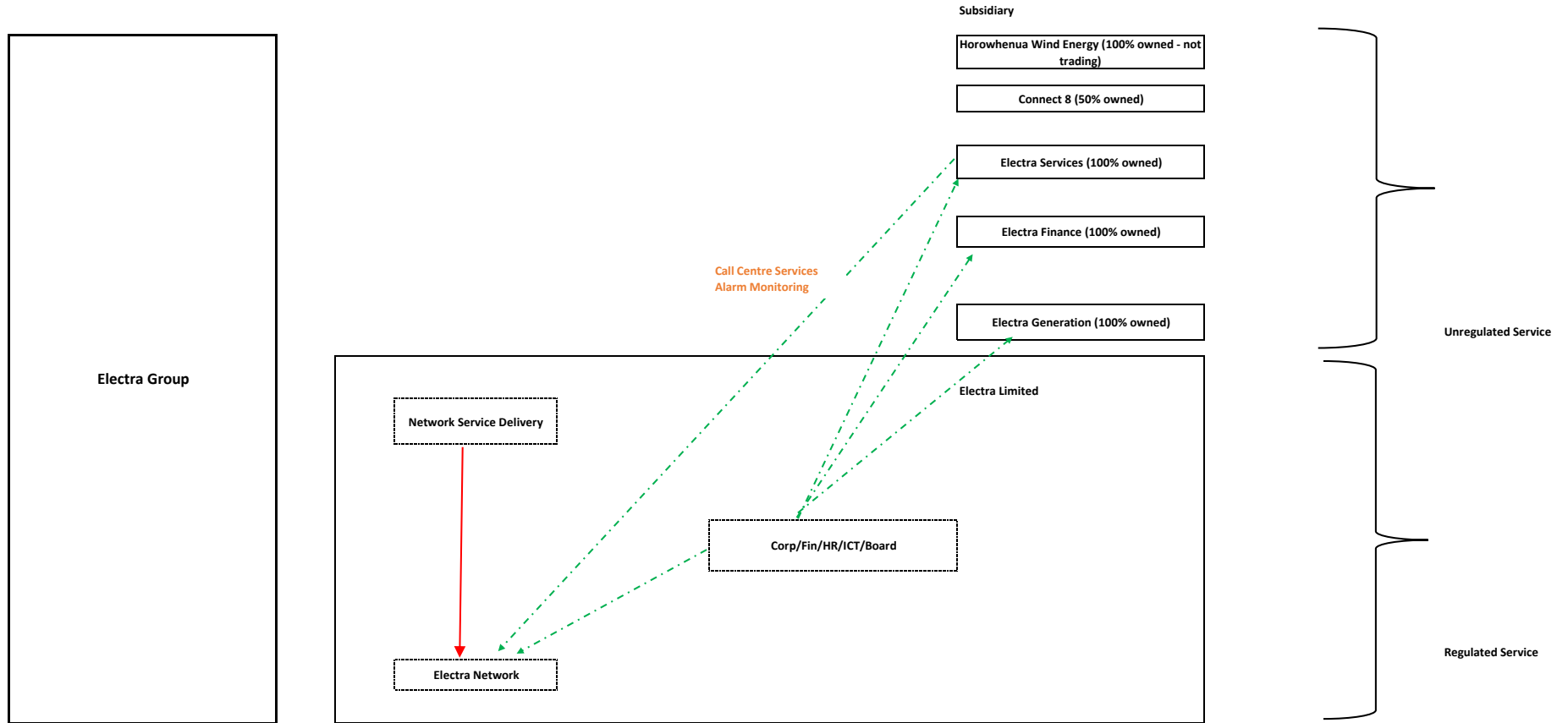
1. This schedule enables EDBs to provide, should they wish to-
 - 1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1 and 2.5.2;
 - 1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as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

Box 1: Voluntary explanatory comment on disclosed information

Electra's ROI comparable to post tax WACC for FY19 is disclosed as 8.0%. This is pre the annual discretionary discount payment of \$7.9m.

The ROI post annual discretionary discount comparable to post tax and discount WACC for FY19 is 1.92%.

Electra Limited Related Party Relationships





Valuation Methodology for Related Party transactions

Call Centre

Electra Services provides call centre services to Electra Limited. The call centre operates 24/7 and covers fault related calls as well as corporate calls such as sales discount queries. The price charged for the 2019 financial year was \$156,000. A contract and SLA is currently being drafted for the 2020 disclosure year.

Alarm Monitoring

Electra Services provides alarm monitoring and patrol services to Electra Limited. This is charged at the same rate as non-related party with the same terms as that of an arms-length transaction. This is deemed to be an 'objective and independent measure'.

Project Management Services

Electra Services provided project management services to deliver a Customer Relationship Management (CRM) system to Electra Limited. The amount charged was at the cost incurred by Electra Services. Electra Services maintained the relationship with the vendor following their own successful implementation of the CRM. This was treated as capital expenditure by Electra Limited with the project to be completed in the 2020 financial year.

Management Fees

Electra Ltd charges management fees to its subsidiaries based on the average hourly rate plus overhead of the employee utilised. This mainly consists of HR, ICT and finance hours. The fee is charged on a monthly basis.

INDEPENDENT ASSURANCE REPORT

TO THE DIRECTORS OF ELECTRA LIMITED AND THE COMMERCE COMMISSION

The Auditor-General is the auditor of Electra Limited (the Company). The Auditor-General has appointed me, Mike Hoshek, using the staff and resources of Deloitte Limited, to provide an opinion, on his behalf, on:

- whether the information required to be disclosed in accordance with the Electricity Distribution Information Disclosure Determination 2012 ('the Information Disclosure Determination') for the disclosure year ended 31 March 2019, has been prepared, in all material respects, in accordance with the Information Disclosure Determination.

The disclosure information required to be reported by the Company, and audited by the Auditor-General, under the Information Disclosure Determination is in schedules 1 to 4, 5a to 5g, 6a and 6b, 7, the system average interruption duration index ('SAIDI') and system average interruption frequency index ('SAIFI') information disclosed in Schedule 10 and the explanatory notes in boxes 1 to 11 in Schedule 14 ('the Disclosure Information').

- whether the Company's basis for valuation of related party transactions ('the Related Party Transaction Information') for the disclosure year ended 31 March 2019, has been prepared, in all material respects, in accordance with clause 2.3.6 of the Information Disclosure Determination, and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012 ('the Input Methodologies Determination').

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;
- as far as appears from an examination, the information used in the preparation of the Disclosure Information has been properly extracted from the Company's accounting and other records and has been sourced, where appropriate, from the Company's financial and non-financial systems;
- the Disclosure Information complies, in all material respects, with the Information Disclosure Determination; and
- the Related Party Transaction Information complies, in all material respects, with the Information Disclosure Determination and the Input Methodologies Determination.

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

Basis for opinion

We conducted our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Standard on Assurance Engagements 3100 (Revised): *Compliance Engagements* issued by the New Zealand Auditing and Assurance Standards Board. Copies of these standards are available on the External Reporting Board's website.

These standards require that we comply with ethical requirements and plan and perform our assurance engagement to provide reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, with the Information Disclosure Determination, and about whether the Related Party Transaction Information has been prepared, in all material respects, with the Information Disclosure Determination and the Input Methodologies Determination. Reasonable assurance is a high level of assurance.



We have performed procedures to obtain evidence about the amounts and disclosures in the Disclosure Information, and the basis of valuation in the Related Party Transaction Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the Disclosure Information and the Related Party Transaction Information, whether due to fraud, error or non-compliance with the Information Disclosure Determination or the Input Methodologies Determination. In making those risk assessments, we considered internal control relevant to the Company's preparation of the Disclosure Information and the Related Party Transaction Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Scope and inherent limitations

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

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

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, required significant attention when carrying out the assurance engagement during the current disclosure year. These matters were addressed in the context of our audit, and in forming our opinion. We do not provide a separate opinion on these matters.

Key audit matter	How our procedures addressed the key audit matter
<p><i>Determining related parties</i></p> <p>The Information Disclosure Determination and the Input Methodologies Determination place a requirement on the Company to consider whether transactions should be related-party transactions.</p> <p>Schedule 5b lists all related parties and related party transactions applicable for the disclosure year, and outlines the Company's judgement about the network services delivery team not being deemed a related party.</p> <p>Assessment of related parties and related party transactions is a key audit matter because it is determined by applying complex rules as set out in the Information Disclosure Determination and the Input Methodologies Determination, and involves considerable judgement by the Company.</p>	<p>We have obtained an understanding of the Company's approach to determining its related parties and assessing related-party transactions in accordance with the Information Disclosure Determination and the Input Methodologies Determination.</p> <p>The procedures we have carried out to satisfy ourselves that related-party transactions are appropriately identified and considered as related-party included:</p> <ul style="list-style-type: none"> • challenging whether the contracting division should be considered as part of the business or whether the transactions between the contracting division and network division are related party transactions; and • challenging whether all related party transactions had been included by comparison to our understanding of the Company's business model.

Key audit matter	How our procedures addressed the key audit matter
<p>Accuracy and completeness of the number and duration of electricity outages</p> <p>The Information Disclosure Determination defines certain quality measures in relation to the number and duration of interruptions, faults, and causes of faults. These quality measures are expressed in the form of SAIDI and SAIFI values.</p> <p>The Company recently implemented Advanced Distribution Management System ("ADMS") which automatically logs all outages into the faults database. However, there are still manual processes in place to ensure that all outages are correctly classified. In particular, manual processes are used to determine if an outage relates to a high or low voltage piece of equipment.</p> <p>Accuracy is a key audit matter because information on the frequency and duration of outages is an important measure about the reliability of electricity supply.</p> <p>Completeness is a key audit matter because although the faults database is automated, the details of the faults are entered manually onto a portable device which then flows into the ADMS.</p>	<p>We have obtained an understanding of the Company's methods by which electricity outages and their duration are recorded.</p> <p>Our procedures included:</p> <ul style="list-style-type: none"> • Testing the design and implementation of key controls related to the recording, reconciliation and review of the outage data obtained from ADMS; • Selecting a sample of manual outage reports during the period and tracing the incident number, date and times to the details recorded in the outages report listing and to the applicable source data; • Selecting on a sample basis, faults that were classified as a low voltage (and therefore did not meet the reporting requirements) and determining whether these faults were properly excluded from the data used to calculate SAIFI and SAIDI outcomes; • Selecting on a sample basis, call logs and ensuring that those which met the reporting requirements were included within ADMS; • Performing analytical procedures on the outage data, including analysing actual outages compared with prior year outages; and • Recalculating the normalised SAIDI and SAIFI using the predetermined boundary limits.

Directors' responsibility for the preparation of the Disclosure Information and Related Party Transaction Information

The directors of the Company are responsible for:

- the preparation of the Disclosure Information in accordance with the Information Disclosure Determination, and
- the Related Party Transaction Information in accordance with the Information Disclosure Determination and the Input Methodologies Determination,

and for such internal control as the directors determine is necessary to enable the preparation of the Disclosure Information and the Related Party Transaction Information that are free from material misstatement.

Our responsibility for the audit of the Disclosure Information and the Related Party Transaction Information

Our responsibility is to express an opinion that provides reasonable assurance on whether:

- the Disclosure Information has been prepared, in all material respects, in accordance with the Information Disclosure Determination; and
- the Related Party Transaction Information has been prepared, in all material respects, in accordance with the Information Disclosure Determination and the Input Methodologies Determination.

Independence and quality control

When carrying out the engagement, we complied with:

- the Auditor-General's independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 (Revised) issued by the New Zealand Auditing and Assurance Standards Board;
- the independence requirements specified in the Information Disclosure Determination; and
- the Auditor-General's quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

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

Use of this report

This independent assurance report has been prepared solely for the directors of the Company and for the Commerce Commission for the purpose of providing those parties with reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, in accordance with the Information Disclosure Determination and whether the Related Party Transaction Information has been prepared, in all material respects, in accordance with the Information Disclosure Determination and the Input Methodologies 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.



Mike Hoshek
Deloitte Limited
On behalf of the Auditor-General
Christchurch, New Zealand
25 July 2019



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, Shelly Anne Mitchell-Jenkins and Michael Charles Underhill, 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, 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 Electra Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.
- c) In respect of information concerning assets, costs and revenues valued or disclosed in accordance with clause 2.3.6 of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012, we are satisfied that-
 - i. the costs and values of assets or goods or services acquired from a related party comply, in all material respects, with clauses 2.3.6(1) and 2.3.6(3) of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5)(a)-2.2.11(5)(b) of the Electricity Distribution Services Input Methodologies Determination 2012; and
 - ii. the value of assets or goods or services sold or supplied to a related party comply, in all material respects, with clause 2.3.6(2) of the Electricity Distribution Information Disclosure Determination 2012.


Shelly Anne Mitchell-Jenkins – Director

30 August 2019

Michael Charles Underhill – Director


30 August 2019