



**ELECTRA LIMITED**

**2010**

**INFORMATION FOR DISCLOSURE**

**Pursuant to Section 57T of the  
Commerce Act 1986**

## Table of contents

Certificate for Disclosed Information	2
Statutory Declaration for Publicly Disclosed Information	3
FS1 Regulatory Profit Statement	4-7
FS2 Regulatory Asset & Financing Statement	8
FS3 Regulatory Tax Allowance Calculation	9
AV1 Annual regulatory Valuation Roll-forward Report	10
AV2 Regulatory Valuation Disclosure by Asset Class	11
AV3 System Fixed assets Replacement Cost Roll-forward Report	12-13
AV4 Business Merger, Acquisition or sale – Regulatory Asset Base Disclosure	14-16
MP1 Network Information	17
MP2 Performance Measures	18
MP3 Price & Quality Measures	20-21
AM1 Expenditure Forecasts and Reconciliation	22
Audit Report	



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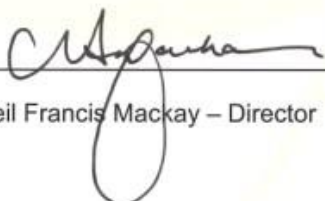
**CERTIFICATE FOR DISCLOSED INFORMATION**  
(Pursuant to Requirement 11(1) Electricity Distribution (Information Disclosure) Requirements 2008)

We, Patricia Frances McKelvey and Neil Francis Mackay, directors of Electra Limited certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of Electra Limited prepared for the purposes of requirement 3, 4, 6 and 7(5) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements -

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

  
Patricia Frances McKelvey – Director

30 July 2010  
Date

  
Neil Francis Mackay – Director

30 July 2010  
Date



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**STATUTORY DECLARATION FOR PUBLICLY DISCLOSED  
INFORMATION**

(Pursuant to Requirement 13(1) Electricity Distribution (Information Disclosure) Requirements 2008)

I Patricia Frances McKelvey of 20 Cranbrook Grove, Waikanae, being a director of Electra Limited, solemnly and sincerely declare that having made all reasonable enquiry, to the best of my knowledge, the information attached to this declaration is a true copy of information made available to the public by Electra Limited under the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

**Declared at Levin this 30th day of July 2010.**

**Patricia Frances McKelvey – Chair**

**Christopher Ronald Turver – Justice of the Peace**

# REPORT FS1: REGULATORY PROFIT STATEMENT

ref	Electricity Distribution Business:	Electra Limited	
5		For Year Ended	2010
6	<b>Income</b>		
7			(\$000)
8	Net Line Charge Revenue Received	20,349	
9	plus Discretionary Discounts and Customer Rebates	-	FS1a
10	<b>Gross Line Charge Income</b>		20,349
11			
12			
13	Capital Contributions	358	
14	plus Net Value of Vested Assets	1,093	
15	<b>Total Capital Contributions and Vested Assets</b>		1,451
16			
17	AC Loss Rental Rebates Received	518	
18	less AC Loss Rental Rebates Passed On		
19	<b>Net AC loss rental income (deficit)</b>		518
20			
21			
22	<b>Other Income</b>	657	
23			657
24			
25	<b>Total regulatory income</b>		<b>22,975</b>
26			
27			
28	<b>Expenses</b>		
29			
30	Transmission Charges - Payments to Transpower	6,721	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	-	
32	<b>Total Transmission Costs</b>		6,721
33			
34	<b>Operational Expenditure:</b>		
35	General Management, Administration and Overheads	2,178	
36	System Management and Operations	1,228	
37	Routine and Preventative Maintenance	2,225	to AM1
38	Refurbishment and Renewal Maintenance	875	to AM1
39	Fault and Emergency Maintenance	1,400	to AM1
40	Pass-through Costs	123	
41	Other	229	
42	<b>Total Operational Expenditure</b>		8,258 to MP2
43			
44			
45	<b>Operational earnings</b>		<b>7,996</b>
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	5,757	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	636	from AV1
50	<b>Total Regulatory Depreciation</b>		6,393 to FS3
51			
52			
53	<b>Earnings before interest and tax (EBIT)</b>		<b>1,603 to FS3</b>
54			
55	less <b>Regulatory Tax Allowance</b>		517 from FS3
56			
57	plus <b>Indexed Revaluation (of System Fixed Assets)</b>		2,492 from AV1
58	plus <b>Revaluations of Non-System Fixed Assets</b>		- from AV1
59			
60	<b>Regulatory profit / loss (pre-financing and distributions)</b>		<b>3,578 to MP2</b>

# REPORT FS1: REGULATORY PROFIT STATEMENT (cont)

## Notes to Regulatory Profit Statement

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

75	<b>FS1b: Related party expenditure - summary</b>		<b>(\$000)</b>
76	Avoided Transmission Charges	-	
77	Operational Expenditure	3,301	
78	Subvention Payment	-	
79	Other related party expenditure	5,112	
80	<b>Total Related Party Expenditure</b>		<b>8,413</b>

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

87	<b>FS1c: Operational Expenditure notes</b>		<b>(\$000)</b>
88			
89	<b>Merger and Acquisition Expenses</b>		
90	Merger and Acquisition Expenses (not to be included in Operational Expenditure)	-	
91			
92	<b>Material items (if greater than 10% of the Operational Expenditure line item)</b>		
93	Material item amount 1	334	Notes to be provided separately
94	within expenditure category:	Refurbishment and Renewal Mainte	
95			
96	Material item amount 2	183	Notes to be provided separately
97	within expenditure category:	Refurbishment and Renewal Mainte	
98			
99	Material item amount 3	183	Notes to be provided separately
100	within expenditure category:	Refurbishment and Renewal Mainte	
101			
102			(further disclosures to be provided on separate page if required)
103			

106	<b>FS1d: Vested Assets</b>		<b>(\$000)</b>
107	Consideration Paid for Vested Assets		115

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

to be repeated as required for multiple reclassifications

<b>FS1b Related Party - additional disclosures</b>		
<b>Related Parties</b>		
- Electra Limited (the electricity distribution company) is the owner by way of 100% of the shareholding in		
<b>Name of Entity</b>		
<b>Principal Activities</b>		
Linework and Stones Limited	Electrical Contracting	- undertake fault reponse, maintenance and capital construction works for Electra Limited
Oxford Finance Corporation Limited	Financial Services	
DataCol New Zealand Limited	Metering Services	
Sky Communications Limited	Telecommunication Contracting	
<b>Related Party Transactions</b>		
<b>- For the 12 month period ending 31 March 2010</b>		
	<b>2010</b>	
	<b>\$000</b>	
<b>Revenue</b>		
Interest from DataCol NZ Limited		3
Sales to DataCol NZ Limited		69 oncharge expenses paid on behalf of DataCol
<b>Expenses</b>		
Interest expense to DataCol NZ Limited		37
Interest expense to Oxford Finance Corporation Limited		14
Purchases from DataCol NZ Limited		1 expertise in MSAccess
Maintenance/Fault Support from Linework and Stones Limited		3,301
Capital works from Linework and Stones Limited		5,112
<b>Receivables</b>		
Loan to Sky Communications Limited		400
From DataCol NZ Limited		7
From Oxford Finance Corporation Limited		15
From Sky Communications Limited		37
From Linework and Stones Limited		7
<b>Payables</b>		
Borrowed from DataCol NZ Limited		1,619
To DataCol NZ Limited		7
To Oxford Finance Corporation Limited		6
To Linework and Stones Limited		804
No related party debts have been written off or forgiven during the year. No amounts were provided for in doubtful debts relating to debts due from related parties at reporting date .		

<b>FS1c</b>	<b>Material items (contd)</b>	
<b>(\$000)</b>		
\$334	Refurbishment and Renewal Maintenance	11kV - The cost of refurbishing crossarms on the 11kV line
\$183	Refurbishment and Renewal Maintenance	400V O/H - The cost of refurbishing crossarms on the 400 O/H
\$183	Refurbishment and Renewal Maintenance	Transformers - The cost of planned repairs to transformers
\$295	Routine and Preventative Maintenance	Zone sub - The cost of maintenance and minor repairs to equipment for the Zone substations
\$356	Routine and Preventative Maintenance	Scada Central - The cost of maintaining the Scada system
\$952	Fault and Emergency Maintenance	Urgent Response costs - The cost of providing 24hour 7day a week fault response for the network.
\$726	Routine and Preventative Maintenance	Tree removal & Vegetation control - The cost of trimming and removing trees and other vegetation that are a hazard to the lines
\$22	Pass-through Costs	Local Council rates relating to Zone substation sites
\$51	Other	Ground and yard maintenance at Zone substations
\$53	Other	Building maintenance at Zone substations
\$29	Pass-through Costs	Regional Council rates relating to Zone substations
\$64	Pass-through Costs	Electricity Commission Levies paid
\$453	System Management and Operations	Salaries - Personnel directly involved in Network e.g. Operations manager
\$744	General Management, Administration and Overheads	Salaries - Indirect - relating to support roles eg Finance
\$46	Other	Amortisation of Network Software not directly related to controlling the Network



# REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Electra Limited	
		For Year Ended	2010
5			
6			
7	<b>Capital Expenditure on System Fixed Assets (by primary purpose)</b>		(\$000)
8	Customer Connection	115	to AM1
9	System Growth	1,056	to AM1
10	Reliability, Safety and Environment	869	to AM1
11	Asset Replacement and Renewal	3,941	to AM1
12	Asset Relocations	16	to AM1
13	<b>Total Capital Expenditure on System Fixed Assets</b>	<b>5,997</b>	to AM1
14			
15			
16	<b>Capital Expenditure on Non-System Fixed Assets</b>	<b>256</b>	from AV1
17			
18			
19	<b>Capital works roll-forward (for System Fixed Assets)</b>		
20	Works Under Construction at Beginning of Year	1,501	
21	plus Total Capital Expenditure on System Fixed Assets	5,997	
22	less Assets Commissioned in Year	5,488	from AV1
23	<b>Works under construction at year end</b>	<b>2,010</b>	
24			
25			
26	<b>Regulatory Investment Value calculation</b>		
27	System Fixed Assets: regulatory value at end of Previous Year	124,595	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	5,013	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	3,053	2.45%
30	<b>Total Regulatory Asset Base value at beginning of Current Financial Year</b>	<b>132,660</b>	
31			
32	plus System Fixed Assets Commissioned in Year	5,488	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	256	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	5,744	
36	<b>Regulatory Asset Base investment in Current Financial Year - average</b>	<b>2,872</b>	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	<b>Adjustment for merger, acquisition or sale to another EDB</b>	-	from AV4
40			
41	<b>Regulatory Investment Value</b>	<b>135,532</b>	to MP2

## REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

ref		Electricity Distribution Business:	Electra Limited	
5			For Year Ended	2010
6				
7				<b>(\$000)</b>
8		<b>Earnings before interest and tax (EBIT)</b>	1,603	from FS1
9				
10	add	Total Regulatory Depreciation	6,393	from FS1
11		Other Permanent Differences - not deductible	20	
12		Other Temporary Adjustments - Current Period	763	
13			7,176	
14				
15	less	Non Taxable Capital Contributions and Vested Assets	-	
16		Tax Depreciation	3,799	
17		Deductible Discretionary Discounts and Customer Rebates	-	
18		Deductible Interest	2,993	from row 53
19		Other Permanent Differences - Non Taxable	16	
20		Other Temporary Adjustments - Prior Period	247	
21			7,055	
22				
23		<b>Regulatory taxable income for Year</b>	<b>1,724</b>	
24				
25	less	Tax Losses Available at Start of Year	-	
26		<b>Net taxable income</b>	<b>1,724</b>	
27				
28		Statutory Tax Rate	30%	
29		<b>Regulatory Tax Allowance</b>	<b>517</b>	to FS1

### Notes to Regulatory Tax Allowance Calculation

36	<b>FS3a: Description of adjustments classified as "other"</b>
37	
38	The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory notes can be provided in a separate note if necessary).
39	
40	
41	Permanent differences relate to expenditure that is not deductible or income that is not taxable for tax purposes under current tax law eg 50% of entertainment expenses. The temporary adjustments relate mainly to provisions which differ in timing for deductibility between tax and accounting.
42	
43	
44	
45	

48	<b>FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)</b>			
49				
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%	
51				
52	Standard Cost of Debt Assumption	5.52%	%	
53				
54	Deductible Interest	2,993	\$000	to row 18
55				
56	Interest Tax Shield Adjustment	898	\$000	to MP2

# REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

ref	Electricity Distribution Business: <b>Electra Limited</b>						
5						For Year Ended: <b>2010</b>	
6						Year of most recent ODV: <b>2004</b>	
7							
8	(\$'000)						
9		ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +	
10		1	2	3	4	5	
11	For Year Ending:	2005	2006	2007	2008	2009	2010
11	<b>System Fixed Assets</b>						
12	Regulatory Value at End of Previous Year*	101,173	104,788	107,535	110,324	117,565	124,595
13	plus						
14	Assets Commissioned	3,200	2,042	3,484	7,519	7,557	5,488
15	Gross Value of Vested Assets	1,305	1,378	1,224	1,057	1,170	1,208
16	Assets Acquired from (Sold to) a Non-EDB						
17	<b>Asset Additions</b>	4,505	3,420	4,708	8,576	8,727	6,696
18	plus						
19	<b>Indexed Revaluation</b>	2,722	3,521	2,731	3,718	3,526	2,492
20	less						
21	Depreciation of System Fixed Assets	3,834	4,058	4,265	4,501	4,771	4,642
22	Regulatory Value of Assets Decommissioned	324	135	386	552	452	1,115
23	<b>Regulatory Depreciation (incl. value of assets decommissioned)</b>	4,158	4,193	4,651	5,053	5,223	5,757
24							
25	plus (minus)						
26	Acquisition of System Fixed Assets from another EDB	-	-	-	-	-	-
27	less Sale of System Fixed Assets to another EDB	-	-	-	-	-	-
28	<b>Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB</b>	-	-	-	-	-	-
29							
30	plus (minus)						
31	<b>Net Increase (Decrease) Due to Changes in Asset Register Information</b>	546					(108)
32							
33	<b>Regulatory Value of System Fixed Assets at Year End</b>	<b>104,788</b>	<b>107,535</b>	<b>110,324</b>	<b>117,565</b>	<b>124,595</b>	<b>127,918</b>
34							
35	<b>Non-System Fixed Assets</b>						
36	Regulatory value at end of previous year	4,074	3,856	3,593	4,190	4,827	5,013
37							
38	plus Asset Additions	287	424	993	917	601	256
39	plus Revaluations	-	-	-	-	-	-
40	less Depreciation (incl. value of assets decommissioned)	505	687	396	280	415	636
41	plus Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-	-	-
42	<b>Regulatory Value of Non-System Fixed Assets at Year end</b>	<b>3,856</b>	<b>3,593</b>	<b>4,190</b>	<b>4,827</b>	<b>5,013</b>	<b>4,633</b>
43							
44							
45	<b>Total Regulatory Asset Base Value (excluding FDC)</b>	<b>108,644</b>	<b>111,128</b>	<b>114,514</b>	<b>122,392</b>	<b>129,608</b>	<b>132,551</b>
46							
47							
48	* The commencing figure for completing this schedule is the most recent ODV value						
49	Note: Additional columns to be added if required						

## Notes to Annual Regulatory Valuation Roll-forward Report

57	<b>AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets</b>						
58	CPI as at date of ODV	928					
59							
60	For Year Ended	2005	2006	2007	2008	2009	2010
61	CPI at CPI reference date	953	985	1010	1044	1075	1096
62	<b>Revaluation Rate</b>	<b>2.69%</b>	<b>3.36%</b>	<b>2.54%</b>	<b>3.37%</b>	<b>3.00%</b>	<b>2.00%</b>
63							
64	System Fixed Assets: Regulatory Value at End of Previous Year	101,173	104,788	107,535	110,324	117,565	124,595
65	<b>Indexed Revaluation of System Fixed Assets</b>	<b>2,722</b>	<b>3,521</b>	<b>2,731</b>	<b>3,718</b>	<b>3,526</b>	<b>2,492</b>

68	<b>AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB</b>						
69							
70	For Year Ended	2005	2006	2007	2008	2009	2010
71	Acquisition of System Fixed Assets from another EDB	-	-	-	-	-	-
72	Sale of System Fixed Assets to another EDB	-	-	-	-	-	-
73	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-	-	-

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

Electricity Distribution Business: **Electra Limited**  
 For Year Ended: **2010**

ref  
 6  
 7  
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**Subtotals by Asset Class (for System Fixed Assets)**

(\$000)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	
<b>System Fixed Assets</b>									
Regulatory Value of System Fixed Assets (as per most recent ODV)	10,910	16,977	33,143	14,160	12,778	4,435	8,770	101,173	from AV1
<b>Cumulative roll-forward since most recent ODV:</b>									
Asset Additions								36,632	from AV1
Indexed Revaluation (of System Fixed Assets)								18,710	from AV1
less Regulatory Depreciation (of System Fixed Assets)								29,035	from AV1
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	from AV1
Net Increase (Decrease) Due to Changes in Asset Register Information								438	from AV1
<b>Regulatory Value of System Fixed Assets at Year End</b>								<b>127,918</b>	from AV1

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

ref		Electricity Distribution Business:	Electra Limited
5		For Year Ended:	2010
6	<b>System Fixed Assets - Replacement Cost</b>		
7			<b>(\$000)</b>
8	<b>Replacement cost at end of previous year</b>		<b>233,382</b>
9			
10	Asset Additions		6,696 AV3a
11	Indexed Revaluation (of System Fixed Assets)		4,668
12	<i>less</i> Replacement Cost of Assets Decommissioned		3,297
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		- from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information		(108)
15	<b>Replacement cost of System Fixed Assets at year end</b>		<b>241,341</b>
16			
17			
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>		
19			
20	<b>Depreciated Replacement Cost at end of previous year</b>		<b>124,595</b>
21			
22	Asset Additions		6,696 AV3a
23	Indexed Revaluation (of System Fixed Assets)		2,492
24	<i>less</i> Depreciation of Replacement Cost		4,642
25	<i>less</i> Depreciated Replacement Cost of Assets Decommissioned		1,115
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		- from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information		(108)
28	<b>Depreciated replacement cost of System Fixed Assets at year end</b>		<b>127,918</b>

## REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (con

### Notes to Price and Quality Measures

36	<b>AV3a: New Asset Additions</b>		
37			
38	Asset Additions - Depreciated Replacement Cost		6,696 from AV1
39	<i>plus</i> Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions		-
40			
41	<b>Asset Additions - Replacement Cost</b>		<b>6,696</b>
42			

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

ref		Electricity Distribution Business:	Electra Limited					
		For Year Ended:	2005	2006	2007	2008	2009	
5								
6	<b>System Fixed Assets - Replacement Cost</b>							
7								
8								
9								
10								
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16								
17								
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>							
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27								
28								

## REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)

### Notes to Price and Quality Measures

36	<b>AV3a: New Asset Additions</b>							
37								
38								
39								
40								
41								
42								

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

Electricity Distribution Business: Electra Limited

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

As at (date): 31/03/2010

Proportion of year following transfer of assets 0%

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

(\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transformers	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								
14								
15 less Depreciation								
16 <b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
17								
18 less Optimisation adjustment								
19 <b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
20								
21 less Economic Value Adjustment (EVA)								
22 <b>Most recent ODV value</b>	-	-	-	-	-	-	-	-
23								
24								
25								

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

(\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
28			
29 <b>Cumulative roll-forward since most recent ODV:</b>			
30 Asset Additions			
31 Indexed Revaluation (of System Fixed Assets)			
32 less Regulatory Depreciation (of System Fixed Assets)			
33 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
34 Net Increase (Decrease) due to Changes in Asset Register Information			
35 <b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
36			
37 Acquisition of Assets from Another EDB	-	-	to AV1
38 Sale of Assets to Another EDB	-	-	to AV1
39			
40			
41 RAB Value of Transferred Assets at Transfer Date	-		
42 "p" factor (proportion of year following transfer of assets)	0%		
43 <b>Adjustment for merger, acquisition or sale to another EDB</b>		-	to FS2
44			
45			
46			

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

(\$000)

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

Signed by: Selling Entity

Acquiring Entity

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

Electricity Distribution Business: Electra

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

As at (date): 31/03/2009

Proportion of year following transfer of assets: 0%

12 **PART 1: Most recent ODV valuation of System Fixed Assets transferred** (\$'000)

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

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

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

47 **PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred** (\$'000)

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

Signed by: Selling Entity

Acquiring Entity



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

Electricity Distribution Business: Electra

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

As at (date): 31/03/2008

Proportion of year following transfer of assets 0%

12 **PART 1: Most recent ODV valuation of System Fixed Assets transferred** (\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transforme	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								

26 **PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)** (\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

46 **PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred** (\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets
48		
49		
50		
51		
52		
53		
54		
55		
56		
57		

Signed by: Selling Entity

Acquiring Entity

**REPORT MP1: NETWORK INFORMATION**  
(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Electra Limited
6		For Year Ended: 2010
7	Network Name:	Total Business (enter "Total Business" or name of network)
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>	
11		<b>Overhead (km)      Underground (km)      Total (km)</b>
12	> 66kV	-      -      -
13	50kV & 66kV	-      -      -
14	33kV	163      21      183
15	SWER (all SWER voltages)	-      -      -
16	22kV (other than SWER)	-      -      -
17	6.6kV to 11kV (inclusive - other than SWER)	904      202      1,106
18	Low Voltage (< 1kV)	553      735      1,287
19	<b>Total circuit length (for Supply)</b>	<b>1,619      958      2,577</b>
20		to MP2
21	<b>Dedicated Street Lighting Circuit Length</b>	216      318      534
22		
23	<b>Overhead Circuit Length by Terrain (at year end)</b>	<b>(km)      (%)</b>
24	Urban (only)	466      29%
25	Rural (only)	499      31%
26	Remote (only)	-      0%
27	Rugged (only)	654      40%
28	Rural & rugged (only)	-      0%
29	Remote & rugged (only)	-      0%
30	Unallocated overhead lines	-      0%
31	<b>Total overhead length</b>	<b>1,619      100%</b>
32		
33		
34	<b>Transformer capacity (at year end)</b>	
35	Distribution Transformer Capacity (EDB Owned)	301 MVA
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	- MVA
37	<b>Total Distribution Transformer Capacity</b>	301 MVA (to MP2)
38		Previous Year 299
39	Zone Substation Transformer Capacity	352 MVA
40		352
41	<b>System Fixed Assets age (at year end)</b>	
42	Average Age of System Fixed Assets	24 Years
43	Average Expected Total Life of System Fixed Assets	51 Years
44	Average Age as a Proportion of Average Expected Total Life	47% %
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	10% %
47		
48		
49		
50		
51	<b>Electricity demand</b>	
52		<b>Maximum coincident system demand (MW)      Non-coincident Sum of maximum demands (MW)</b>
53	<b>GXP Demand</b>	94      98
54	plus Embedded Generation Output at HV and Above	-      -
55	<b>Maximum System Demand</b>	94
56	less Net Transfers to (from) Other EDBs at HV and Above	-      -
57	<b>Demand on system for supply to customers' Connection Points</b>	94
58	less Subtransmission Customers' Connection Point Demand	-      -
59	<b>Maximum Distribution Transformer Demand</b>	94
60		to MP2
61	GXP Demand not Supplied at Subtransmission Level	-      -
62	Embedded Generation Output - Connected to Subtransmission System	-      -
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-      -
64		
65	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	20
66		
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	1.5 % p.a.
68		
69	<b>Electricity volumes carried</b>	<b>(GWh)</b>
70	Electricity Supplied from GXPs	450
71	less Electricity Exports to GXPs	-
72	plus Electricity Supplied from Embedded Generators	-
73	less Net Electricity Supplied to (from) Other EDBs	-
74	<b>Electricity entering system for supply to customers' Connection Points</b>	450
75	less Electricity Supplied to Customers' Connection Points	416
76	<b>Electricity Losses (loss ratio)</b>	34      7.5% %
77		to MP2
78	Electricity Supplied to Customers' Connection Points	416
79	less Electricity Supplied to Largest 5 Connection Points	16
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	400      96% %
81		
82	<b>Load Factor</b>	54% %
83		
84	<b>Number of Connection Points (at year end)</b>	42,204 ICPs
85		to MP2
86	<b>Intensity of service requirements</b>	
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	37 kW/km
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	161 MWh/km
89	Connection Point Density (ICPs / Total circuit length)	16 ICP/km
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	9,859 kWh/ICP

# REPORT MP2: PERFORMANCE MEASURES

Electricity Distribution Business: **Electra Limited**  
For Year Ended: **2010**

ref		Previous Years:			Current Financial Year		
		Current Yr - 3	Current Yr - 2	Current Yr - 1			
5							
6	<b>Performance comparators</b>						
7							
8							
9	<b>Operational expenditure ratio</b>						
10	Total Operational Expenditure		7	8	8	\$m	from FS1
11	Replacement Cost of System Fixed Assets (at year end*)		219	233	241	\$m	from AV3
12	<b>Ratio (%)</b>	Not defined	3.20%	3.43%	<b>3.42%</b>	%	
13							
14	<b>Capital expenditure ratio</b>						
15	Total Capital Expenditure on System Fixed Assets		9	7	6	\$m	from FS2
16	Replacement Cost of System Fixed Assets (at year end*)		219	233	241	\$m	from AV3
17	<b>Ratio (%)</b>	Not defined	4.11%	3.00%	<b>2.48%</b>	%	
18							
19	<b>Capital expenditure growth ratio</b>						
20	Capital Expenditure: Customer Connection and System Growth		1	-	1	\$m	from FS2
21	Change in Total Distribution Transformer Capacity		4	4	2	MVA	from MP1
22	<b>\$/kVA</b>	Not defined	250	-	<b>732</b>	\$/kVA	
23							
24	<b>Renewal expenditure ratio</b>						
25	Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal		5	-	5	\$m	from FS1 & 2
26	Regulatory Depreciation of System Fixed Assets		5	5	6	\$m	from AV1
27	<b>Ratio (%)</b>	Not defined	100%	0%	<b>84%</b>	%	
28							
29	<b>Distribution Transformer Capacity Utilisation</b>						
30	Maximum Distribution Transformer Demand	95	95	95	94	MW	from MP1
31	Total Distribution Transformer Capacity (at year end*)	291	295	299	301	kVA	from MP1
32	<b>Ratio (%)</b>	32.6%	32.2%	31.8%	<b>31.4%</b>	%	
33							
34	<b>Return on Investment</b>						
35	Regulatory Profit / Loss (pre-financing and distributions)		6	5	4	\$m	from FS1
36	less Interest Tax Shield Adjustment		1	1	1	\$m	from FS3
37	Adjusted Regulatory Profit	-	5	4	3	\$m	
38	Regulatory Investment Value		121	129	136	\$m	from FS2
39	<b>Ratio (%)</b>	Not defined	4.13%	3.10%	<b>1.98%</b>	%	
40							
41							
42	<b>Expenditure comparison table</b>						
43							
44							
45							
46							
47	<b>Capital Expenditure (\$) per</b>	2,427	15	66,204	148	20,802	from FS2 & MP1
48	<b>Operational Expenditure (\$) per</b>	3,205	20	87,433	196	27,472	from FS1 & MP1
49							

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

## Expenditure metrics (\$ per):

	Total circuit length (for Supply) (\$/km)	Electricity Supplied to Customers' Connection Points (\$/MWh)	Maximum coincident system demand (\$/MW)	Connection Point (\$/ICP)	Distribution Transformer Capacity (EDB-Owned) (\$/MVA)	
Capital Expenditure (\$ per)	2,427	15	66,204	148	20,802	from FS2 & MP1
Operational Expenditure (\$ per)	3,205	20	87,433	196	27,472	from FS1 & MP1

## **Distribution Transformer capacity utilisation**

### ***Maximum Distribution Transformer Demand***

These are calculated according to the Electricity Distribution (Information Disclosure) Requirements 2008 which is the maximum that the network is designed to handle at any point in time.

The Original requirements measured the maximum peak experienced by the network at a point in time during the year. This has usually been less than the maximum.

### ***Total Distribution Transformer Capacity (at year end\*)***

per the Electricity Distribution (information Disclosure) Requirements 2008:

means the sum of the name-plate ratings (kVA capacity) of EDB owned and Non-EDB owned distribution transformers connected to the Distribution Business' networks, divided by 1000 (meaning that the sum is disclosed in MVA). Transformer capacity should represent the long-term operating capacity of the transformer as it is installed, not the emergency or short-term ratings. Ratings uplift due to oil, air or other installed and operating cooling mechanisms should be included in this measure. Transformers that are not energised (e.g. spares) must not be included. Transformers that supply Connection Points that are directly connected to the Subtransmission system of the Distribution Business' network should not be included.

The figures are identical to those reported under the original requirements.

### ***Ratio%***

Year - per MP2 - transitional

2009- 31.8% - 30.3%

2008 - 32.2% - 32.2%

2007 - 32.6% - 33.7%

2006 - 32.9% - 31.8%

# REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

Electricity Distribution Business: **Electra Limited**

For Year Ended: **2010**

Network Name: **Total Business**  
 Disclosure: **Annual Disclosure - Requirement 6(1)**

## QUALITY

### Interruptions

#### Interruptions by class

Class A	-	planned interruptions by Transpower
Class B	40	planned interruptions on the network
Class C	125	unplanned interruptions on the network
Class D	-	unplanned interruptions by Transpower
Class E	-	unplanned interruptions of network owned generation
Class F	-	unplanned interruptions of generation (non-network)
Class G	-	unplanned interruptions caused by other electricity industry participant
Class H	-	planned interruptions caused by other electricity industry participant
<b>Total</b>	<b>165</b>	<b>Total of above</b>

#### Interruption targets for Forecast Year

	2011	Current Financial Year +1
Class B	89	planned interruptions on the network
Class C	131	unplanned interruptions on the network

#### Average interruption targets for 5 Forecast Years

	2011-2015	Current Financial Year +1 to +5
Class B	89	planned interruptions on the network
Class C	131	unplanned interruptions on the network

#### Class C interruptions restored within

	≤3Hrs	>3hrs
	102	23

### Faults

#### Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	4.85	in year	2010
The total number of faults forecast for the Forecast Year	5.00	in year	2011
The average annual number of faults forecast for the 5 Forecast Years	5.00	average over years	2011-2015

#### Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SW		22kV non-SW	SW	33kV	50kV & 66kV	>66kV
	Yes	No	No	No	Yes	No	No
Is this voltage part of the EDB system?							
Current Financial Year	4.31				0.54		
Forecast Year	4.50				0.50		
Average annual for 5 Forecast Years	4.50				0.50		

#### Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SW		22kV non-SW	SW	33kV	50kV & 66kV	>66kV
	Underground	Overhead					
Underground	0.23				-		
Overhead	4.08				0.54		

### Reliability

#### Overall reliability

	SAIDI	SAIFI	CAIDI
Based on the total number of interruptions	163.28	3.15	51.88

#### Reliability by interruption class

	SAIDI	SAIFI	CAIDI
Class B	4.47	0.02	248.26
Class C	158.82	3.13	50.75

#### Targets for Forecast Year

	SAIDI	SAIFI	CAIDI
Class B	7.39	0.07	36.49
Class C	75.99	1.62	13.94

#### Average targets for 5 Forecast Years

	SAIDI	SAIFI	CAIDI
Class B	7.30	0.07	36.64
Class C	76.02	1.60	14.00

## PRICES

### Price information by Connection Point Class

	Connection Point Class				Total	
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points		
Gross line charge income (\$000)	17,207	-	2,673	469	20,349	from FS1
Electricity Supplied to Customers' Connection Points (MWh)	311,696	-	88,401	15,982	416,079	from MP1
Number of Connection Points (ICPs) at year end	41,799	-	400	5	42,204	from MP1
Unit Price (cents/kWh)	5.5	Not defined	3.0	2.9	4.9	
Relative Unit Price Index	1.00	Not defined	0.55	0.53	0.89	

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

**Notes to Price and Quality Measures**

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

# REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

Electricity Distribution Business: **Electra Limited**  
 For Year Ended **2010**  
 (\$000)

## A) Five year forecasts of expenditure

From most recent Asset Management Plan

ref		Actual for Current Financial Year	Forecast Years					
			year 1	year 2	year 3	year 4	year 5	
	for year ended	2010	2011	2012	2013	2014	2015	
10	Capital Expenditure: Customer Connection	115	210	311	311	311	311	from FS2
11	Capital Expenditure: System Growth	1,056	1,381	3,400	1,863	1,015	765	from FS2
12	Capital Expenditure: Reliability, Safety and Environment	869	2,137	691	1,335	1,255	205	from FS2
13	Capital Expenditure: Asset Replacement and Renewal	3,941	3,700	2,634	3,432	2,665	2,736	from FS2
14	Capital Expenditure: Asset Relocations	16	30	50	-	-	-	from FS2
15	<b>Subtotal - Capital Expenditure on asset management</b>	<b>5,997</b>	<b>7,458</b>	<b>7,086</b>	<b>6,941</b>	<b>5,246</b>	<b>4,017</b>	
17	Operational Expenditure: Routine and Preventative Maintenance	2,225	1,945	1,764	1,764	1,764	1,764	from FS1
18	Operational Expenditure: Refurbishment and Renewal Maintenance	875	1,230	1,230	1,230	1,230	1,230	from FS1
19	Operational Expenditure: Fault and Emergency Maintenance	1,400	1,783	1,514	1,514	1,514	1,514	from FS1
20	<b>Subtotal - Operational Expenditure on asset management</b>	<b>4,500</b>	<b>4,958</b>	<b>4,508</b>	<b>4,508</b>	<b>4,508</b>	<b>4,508</b>	
22	<b>Total direct expenditure on distribution network</b>	<b>10,497</b>	<b>12,416</b>	<b>11,594</b>	<b>11,449</b>	<b>9,754</b>	<b>8,525</b>	
24	<b>Overhead to Underground Conversion Expenditure</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

The Electricity Distribution Business is to provide the amount of Overhead to Underground Conversion Expenditure included in each of the above Expenditure Categories (explanatory notes can be provided in a separate note if necessary).

The total amount of overhead to underground conversion expenditure is included in System Growth, this was authority driven undergrounding as a result of NZECP 34 issues. Electra has no approved policy to convert existing overhead circuits to underground as costs outweigh benefits at this stage.

## B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure

ref		Actual for Current Financial Year (a)	Previous forecast for Current Financial Year (b)	% Variance (a)/(b)-1	
34	Capital Expenditure: Customer Connection	115	307	-62.5%	from row 10
35	Capital Expenditure: System Growth	1,056	1,140	-7.4%	from row 11
36	Capital Expenditure: Reliability, Safety and Environment	869	780	11.4%	from row 12
37	Capital Expenditure: Asset Replacement and Renewal	3,941	3,704	6.4%	from row 13
38	Capital Expenditure: Asset Relocations	16	-	Not defined	from row 14
39	<b>Subtotal - Capital Expenditure on asset management</b>	<b>5,997</b>	<b>5,931</b>	<b>1.1%</b>	
41	Operational Expenditure: Routine and Preventative Maintenance	2,225	2,427	-8.3%	from row 17
42	Operational Expenditure: Refurbishment and Renewal Maintenance	875	812	7.8%	from row 18
43	Operational Expenditure: Fault and Emergency Maintenance	1,400	1,495	-6.4%	from row 19
44	<b>Subtotal - Operational Expenditure on asset management</b>	<b>4,500</b>	<b>4,734</b>	<b>-4.9%</b>	
46	<b>Total direct expenditure on distribution network</b>	<b>10,497</b>	<b>10,665</b>	<b>-1.6%</b>	

### Explanation of variances

Distribution Business must provide a brief explanation for any line item variance of more than 10%

Explanatory notes (can be provided in a separate note if necessary): Capital Expenditure: Customer Connection - Reduced number of connections due to lower than expected build rate as a result of economic crisis. Capital Expenditure: System Growth -Transformer project for Raumati deferred 2 years. Shannon project to complete substation deferred. Capital Expenditure: Reliability, Safety and Environment-Unexpected asset failures and increase in car crashes. Capital Expenditure:Asset Relocations - Authority driven relocations. Operational Expenditure: Routine and Preventative Maintenance - Confusion in coding of work - probably should have coded it to Faults and emergencies. Operational Expenditure: Refurbishment & Renewal - Shannon project deferred; variance would have been greater but undertook laying of a duct to take advantage of others that were doing work in the area. Operational Expenditure: Fault and Emergency Maintenance - Unexpected asset failure and increase number of car crashes.

**AUDITOR'S INDEPENDENT ASSURANCE REPORT**  
**TO THE BOARD OF DIRECTORS OF ELECTRA LIMITED**  
**REPORT ON ELECTRA LIMITED'S COMPLIANCE WITH THE ELECTRICITY DISTRIBUTION**  
**(INFORMATION DISCLOSURE) REQUIREMENTS 2008**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010**

The Auditor-General is the auditor of Electra Limited (the Company). The Auditor-General has appointed me, Trevor Deed, using the staff and resources of Deloitte, to provide an opinion on the compliance of the attached reports on pages 4 to 22 prepared by the Company with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements), on her behalf, for the financial year ended 31 March 2010. In this independent assurance report the attached reports are called the 'disclosure information'.

**Respective responsibilities**

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

Clause 10 of the Requirements requires the Auditor-General to provide an opinion that the disclosure information prepared by the Company complies with and is presented in all material respects in accordance with the Requirements for the financial year ended 31 March 2010.

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

This independent assurance report has been prepared solely to discharge the Auditor-General's responsibilities under the Requirements for the financial year ended 31 March 2010. This independent assurance report is not intended to be used for any purposes, other than that for which it was prepared.

Material misstatements, whether caused by fraud or error, are differences or omissions of amounts and disclosures that would affect a user's overall understanding of the disclosure information prepared by the Company.

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

**Basis of opinion**

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

*Historical financial and non-financial information*

We conducted the engagement in accordance with the Standard on Assurance Engagements (New Zealand) 3100: *Compliance Engagements* issued by the New Zealand Institute of Chartered Accountants.

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

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

*Prospective financial and non-financial information*

Our work has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2010 and the immediately preceding financial year, and that the information has been calculated based on source data provided by the Company, whilst acknowledging it is likely that actual results will vary from those



forecasted, since anticipated events frequently do not occur as expected (and those variations may be significant). We have not performed audit procedures on the source data.

**Independence**

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

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

**Unqualified opinions**

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

In our opinion:

- The Company has kept proper records to enable the complete and accurate compilation of required information, in all material respects, as far as appears from our examination of those records; and
- The disclosure information prepared by the Company for the financial year ended 31 March 2010 complies with the Requirements.

*Historical Financial and Non-Financial Information*

In our opinion, the Company has:

- presented the historical financial information included in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3 and AM1 for the financial year ended 31 March 2010 that complies with the Requirements, in all material respects; and
- compiled the historical non-financial information included in reports MP1, MP2 and MP3 in accordance with the guidance (if any) issued pursuant to the Requirements, and has calculated the historical non-financial information based on un-audited source data provided by the Company.

*Prospective Financial and Non-Financial Information*

In our opinion, the Company has:

- presented the information in reports AM1 and MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2010 and the immediately preceding financial year; and
- calculated the prospective financial and non-financial information based on un-audited source data provided by the Company.



Trevor Deed  
Deloitte  
On behalf of the Auditor-General  
Wellington, New Zealand  
30 July 2010

This audit report relates to the disclosure statements of Electra Limited for the year ended 31 March 2010 included on Electra Limited website. Electra Limited is responsible for the maintenance and integrity of Electra Limited website. We have not been engaged to report on the integrity of the Electra Limited website. We accept no responsibility for any changes that may have occurred to the disclosure statements since they were initially presented on the website. The audit report refers only to the disclosure statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these disclosure statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited disclosure statements and related audit report dated 30 July 2010 to confirm the information included in the audited disclosure statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of disclosure statements may differ from legislation in other jurisdictions.