

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

Company Name

Electra Limited

Disclosure Date

31 August 2022

Disclosure Year (year ended)

31 March 2022

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Company Name

Electra Limited

For Year Ended

31 March 2022

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

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)
32,646	301	125,091	5,884	42,050
13,776	127	52,787	2,483	17,745
18,870	174	72,305	3,401	24,306
31,825	294	121,948	5,737	40,994
26,193	242	100,364	4,721	33,738
5,633	52	21,584	1,015	7,255

1(ii): Revenue metrics

Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
89,654	828
89,654	828
—	—

1(iii): Service intensity measures

47	Maximum coincident system demand per km of circuit length (for supply) (kW/km)
180	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
20	Average number of ICPs per km of circuit length (for supply) (ICPs/km)
9,234	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)

1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	13,851	34.09%
Pass-through and recoverable costs excluding financial incentives and wash-ups	9,882	24.32%
Total depreciation	9,045	22.26%
Total revaluations	14,407	35.46%
Regulatory tax allowance	2,756	6.78%
Regulatory profit/(loss) including financial incentives and wash-ups	19,389	47.72%
Total regulatory income	40,626	

1(v): Reliability

Interruption rate	19.24	Interruptions per 100 circuit km
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Company Name	Electra Limited
For Year Ended	31 March 2022

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).

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	2(i): Return on Investment	CY-2			CY-1			Current Year CY		
		31 Mar 20			31 Mar 21			31 Mar 22		
8		%			%			%		
9	ROI – comparable to a post tax WACC									
10	Reflecting all revenue earned	4.13%			2.46%			9.32%		
11	Excluding revenue earned from financial incentives	4.13%			2.46%			9.32%		
12	Excluding revenue earned from financial incentives and wash-ups	4.13%			2.46%			9.32%		
13										
14	Mid-point estimate of post tax WACC	4.27%			3.72%			3.52%		
15	25th percentile estimate	3.59%			3.04%			2.84%		
16	75th percentile estimate	4.95%			4.40%			4.20%		
17										
18										
19	ROI – comparable to a vanilla WACC									
20	Reflecting all revenue earned	4.56%			2.79%			9.62%		
21	Excluding revenue earned from financial incentives	4.56%			2.79%			9.62%		
22	Excluding revenue earned from financial incentives and wash-ups	4.56%			2.79%			9.62%		
23										
24	WACC rate used to set regulatory price path									
25										
26	Mid-point estimate of vanilla WACC	4.69%			4.05%			3.82%		
27	25th percentile estimate	4.01%			3.37%			3.14%		
28	75th percentile estimate	5.37%			4.73%			4.50%		
29										
30	2(ii): Information Supporting the ROI									
31										
32	Total opening RAB value	209,173								
33	plus Opening deferred tax	(9,607)								
34	Opening RIV							199,566		
35										
36	Line charge revenue							38,040		
37										
38	Expenses cash outflow	23,733								
39	add Assets commissioned	12,769								
40	less Asset disposals	483								
41	add Tax payments	1,431								
42	less Other regulated income	2,587								
43	Mid-year net cash outflows							34,863		
44										
45	Term credit spread differential allowance							110		
46										
47	Total closing RAB value	226,821								
48	less Adjustment resulting from asset allocation	0								
49	less Lost and found assets adjustment	–								
50	plus Closing deferred tax	(10,932)								
51	Closing RIV							215,889		
52										
53	ROI – comparable to a vanilla WACC							9.62%		
54										
55	Leverage (%)							42%		
56	Cost of debt assumption (%)							2.54%		
57	Corporate tax rate (%)							28%		
58										
59	ROI – comparable to a post tax WACC							9.32%		
60										

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(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

9.41%

Year-end ROI – comparable to a post tax WACC

9.12%

* 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).

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sch ref

3(i): Regulatory Profit

(\$000)

Income

Line charge revenue	38,040
plus Gains / (losses) on asset disposals	(332)
plus Other regulated income (other than gains / (losses) on asset disposals)	2,919

Total regulatory income

40,626

Expenses

less Operational expenditure	13,851
less Pass-through and recoverable costs excluding financial incentives and wash-ups	9,882

Operating surplus / (deficit)

16,893

less Total depreciation	9,045
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plus Total revaluations	14,407
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Regulatory profit / (loss) before tax

22,255

less Term credit spread differential allowance	110
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less Regulatory tax allowance	2,756
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Regulatory profit/(loss) including financial incentives and wash-ups

19,389

3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups

(\$000)

Pass through costs

Rates	170
Commerce Act levies	44
Industry levies	130
CPP specified pass through costs	—

Recoverable costs excluding financial incentives and wash-ups

Electricity lines service charge payable to Transpower	7,589
Transpower new investment contract charges	625
System operator services	—
Distributed generation allowance	—
Extended reserves allowance	—
Other recoverable costs excluding financial incentives and wash-ups	1,323

Pass-through and recoverable costs excluding financial incentives and wash-ups

9,882

3(iii): Incremental Rolling Incentive Scheme

(\$000)

	CY-1 31 Mar 21	CY 31 Mar 22
Allowed controllable opex	n/a	n/a
Actual controllable opex	n/a	n/a
Incremental change in year		n/a

			Previous years' incremental change	Previous years' incremental change adjusted for inflation
CY-5	31 Mar 17		n/a	n/a
CY-4	31 Mar 18		n/a	n/a
CY-3	31 Mar 19		n/a	n/a
CY-2	31 Mar 20		n/a	n/a
CY-1	31 Mar 21		n/a	n/a

Net incremental rolling incentive scheme

—

Net recoverable costs allowed under incremental rolling incentive scheme

—

Company Name **Electra Limited**
For Year Ended **31 March 2022**

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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3(iv): Merger and Acquisition Expenditure

(\$000)

Merger and acquisition expenditure

n/a

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

3(v): Other Disclosures

(\$000)

Self-insurance allowance

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 18 (\$000)	RAB 31 Mar 19 (\$000)	RAB 31 Mar 20 (\$000)	RAB 31 Mar 21 (\$000)	RAB 31 Mar 22 (\$000)
Total opening RAB value	169,631	175,934	179,637	202,021	209,173
less Total depreciation	6,833	7,315	7,519	10,403	9,045
plus Total revaluations	1,855	2,600	4,533	3,044	14,407
plus Assets commissioned	11,818	8,888	26,073	14,770	12,769
less Asset disposals	536	470	702	259	483
plus Lost and found assets adjustment	—	—	—	—	—
plus Adjustment resulting from asset allocation	(0)	(0)	(0)	0	0
Total closing RAB value	175,934	179,637	202,021	209,173	226,821

4(ii): Unallocated Regulatory Asset Base

	Unallocated RAB * (\$000)	RAB (\$000)
Total opening RAB value	209,173	209,173
less Total depreciation	9,045	9,045
plus Total revaluations	14,407	14,407
plus Assets commissioned (other than below)	12,769	12,769
Assets acquired from a regulated supplier	—	—
Assets acquired from a related party	—	—
Assets commissioned	12,769	12,769
less Asset disposals (other than below)	483	483
Asset disposals to a regulated supplier	—	—
Asset disposals to a related party	—	—
Asset disposals	483	483
plus Lost and found assets adjustment	—	—
plus Adjustment resulting from asset allocation	—	0
Total closing RAB value	226,821	226,821

* 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	1,142
CPI _{t-4}	1,068
Revaluation rate (%)	6.93%

	Unallocated RAB * (\$000)	RAB (\$000)
Total opening RAB value	209,173	209,173
less Opening value of fully depreciated, disposed and lost assets	1,247	1,247
Total opening RAB value subject to revaluation	207,926	207,926
Total revaluations	14,407	14,407

4(iv): Roll Forward of Works Under Construction

	Unallocated works under construction	Allocated works under construction
Works under construction—preceding disclosure year	3,650	3,650
plus Capital expenditure	13,635	13,635
less Assets commissioned	12,769	12,769
plus Adjustment resulting from asset allocation	—	—
Works under construction - current disclosure year	4,516	4,516
Highest rate of capitalised finance applied	—	3.21%

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(v): Regulatory Depreciation

Depreciation - standard
Depreciation - no standard life assets
Depreciation - modified life assets
Depreciation - alternative depreciation in accordance with CPP
Total depreciation

Unallocated RAB *	RAB
(\$000)	(\$000)
9,045	9,045
–	–
–	–
–	–
9,045	9,045

4(vi): Disclosure of Changes to Depreciation Profiles

(\$000 unless otherwise specified)

Asset or assets with changes to depreciation*	Reason for non-standard depreciation (text entry)	Depreciation charge for the period (RAB)	Closing RAB value under 'non-standard' depreciation	Closing RAB value under 'standard' depreciation

* include additional rows if needed

4(vii): Disclosure by Asset Category

(\$000 unless otherwise specified)

	Subtransmis sion lines	Subtransmis sion cables	Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non- network assets	Total
Total opening RAB value	9,456	12,170	29,826	50,065	37,737	28,275	16,339	13,371	11,935	209,173
less Total depreciation	390	300	1,174	1,817	1,191	968	605	1,074	1,526	9,045
plus Total revaluations	655	843	2,033	3,462	2,615	1,956	1,118	921	804	14,407
plus Assets commissioned	603	–	558	5,065	912	621	1,367	1,280	2,362	12,769
less Asset disposals	9	–	19	92	–	33	179	44	107	483
plus Lost and found assets adjustment	–	–	–	–	–	–	–	–	–	–
plus Adjustment resulting from asset allocation	–	–	–	–	–	–	–	–	–	–
plus Asset category transfers	–	–	–	–	–	–	–	–	–	–
Total closing RAB value	10,314	12,713	31,223	56,684	40,073	29,850	18,041	14,453	13,469	226,821
Asset Life										
Weighted average remaining asset life	31.8	42.7	34.0	36.3	37.9	34.0	30.8	24.1	9.4	(years)
Weighted average expected total asset life	52.4	55.3	48.1	52.1	61.8	45.0	37.2	32.8	11.7	(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

7	5a(i): Regulatory Tax Allowance				(\$000)
8	Regulatory profit / (loss) before tax				22,255
9					
10	plus	Income not included in regulatory profit / (loss) before tax but taxable	450	*	
11		Expenditure or loss in regulatory profit / (loss) before tax but not deductible	176	*	
12		Amortisation of initial differences in asset values	2,605		
13		Amortisation of revaluations	974		
14					4,205
15					
16	less	Total revaluations	14,407		
17		Income included in regulatory profit / (loss) before tax but not taxable	—	*	
18		Discretionary discounts and customer rebates	—		
19		Expenditure or loss deductible but not in regulatory profit / (loss) before tax	—	*	
20		Notional deductible interest	2,211		
21					16,618
22					
23		Regulatory taxable income			9,842
24					
25	less	Utilised tax losses	—		
26		Regulatory net taxable income			9,842
27					
28		Corporate tax rate (%)	28%		
29		Regulatory tax allowance			2,756
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	62,131		
37	less	Amortisation of initial differences in asset values	2,605		
38	plus	Adjustment for unamortised initial differences in assets acquired	—		
39	less	Adjustment for unamortised initial differences in assets disposed	56		
40		Closing unamortised initial differences in asset values			59,470
41					
42		Opening weighted average remaining useful life of relevant assets (years)			24
43					
44	5a(iv): Amortisation of Revaluations				(\$000)
45					
46		Opening sum of RAB values without revaluations	187,158		
47					
48		Adjusted depreciation	8,071		
49		Total depreciation	9,045		
50		Amortisation of revaluations			974
51					
52	5a(v): Reconciliation of Tax Losses				(\$000)
53					
54		Opening tax losses	—		
55	plus	Current period tax losses	—		
56	less	Utilised tax losses	—		
57		Closing tax losses			—

Electra Limited
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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.

5a(vi): Calculation of Deferred Tax Balance	(S'000)
Opening deferred tax	(9,607)
<i>plus</i> Tax effect of adjusted depreciation	2,260
<i>less</i> Tax effect of tax depreciation	2,689
<i>plus</i> Tax effect of other temporary differences*	42
<i>less</i> Tax effect of amortisation of initial differences in asset values	729
<i>plus</i> Deferred tax balance relating to assets acquired in the disclosure year	(242)
<i>less</i> Deferred tax balance relating to assets disposed in the disclosure year	(33)
<i>plus</i> Deferred tax cost allocation adjustment	(0)
Closing deferred tax	(10,932)
5a(vii): Disclosure of Temporary Differences	
<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>	
5a(viii): Regulatory Tax Asset Base Roll-Forward	(S'000)
Opening sum of regulatory tax asset values	98,115
<i>less</i> Tax depreciation	9,603
<i>plus</i> Regulatory tax asset value of assets commissioned	11,643
<i>less</i> Regulatory tax asset value of asset disposals	364
<i>plus</i> Lost and found assets adjustment	—
<i>plus</i> Adjustment resulting from asset allocation	—
<i>plus</i> Other adjustments to the RAB tax value	—
Closing sum of regulatory tax asset values	99,791

Electra Limited

31 March 2022

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

(\$000)

159

10

100

—

—

40

410

—

100

—

—

100

—

100

1

100

[illegible][illegible]

410

121

Total value of transactions (\$000)

* include additional rows if needed

53

Company Name **Electra Limited**
For Year Ended **31 March 2022**

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

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
Electra Limited	27/01/2021	23/12/2020	7	0.03	30,000.00	30,000.00	45.00	- 42.87
Electra Limited	27/01/2021	23/12/2020	10	0.03	13,000.00	13,000.00	48.75	- 13.00
Electra Limited	27/01/2021	23/12/2020	12	0.04	12,000.00	12,000.00	63.00	- 10.00
Electra Limited	25/03/2021	25/03/2021	7	0.04	9,000.00	9,000.00	13.50	- 12.86
* include additional rows if needed						64,000	170	(79)

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

Gross term credit spread differential

92

Total book value of interest bearing debt

76,112

Leverage

42%

Average opening and closing RAB values

217,997

Attribution Rate (%)

120%

Term credit spread differential allowance

110

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

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

sch ref

5d(i): Operating Cost Allocations

		Value allocated (\$000s)			
	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase (\$000s)
Service interruptions and emergencies					
Directly attributable		2,294			
Not directly attributable				–	
Total attributable to regulated service		2,294			
Vegetation management					
Directly attributable		1,488			
Not directly attributable				–	
Total attributable to regulated service		1,488			
Routine and corrective maintenance and inspection					
Directly attributable		1,447			
Not directly attributable				–	
Total attributable to regulated service		1,447			
Asset replacement and renewal					
Directly attributable		616			
Not directly attributable				–	
Total attributable to regulated service		616			
System operations and network support					
Directly attributable		3,716			
Not directly attributable				–	
Total attributable to regulated service		3,716			
Business support					
Directly attributable		1,911			
Not directly attributable		2,379		2,379	
Total attributable to regulated service		4,290			
Operating costs directly attributable		11,472			
Operating costs not directly attributable	–	2,379	–	2,379	–
Operational expenditure		13,851			

5d(ii): Other Cost Allocations

		(\$000)
Pass through and recoverable costs		
Pass through costs		
Directly attributable	333	
Not directly attributable	–	
Total attributable to regulated service	333	
Recoverable costs		
Directly attributable	9,537	
Not directly attributable	–	
Total attributable to regulated service	9,537	

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

		(\$000)	
		CY-1	Current Year (CY)
Change in cost allocation 1			
Cost category	Business Support	2,879	2,639
Original allocator or line items	% of management time on regulatory business	2,828	2,379
New allocator or line items	% of employee time on regulatory business	50	260
Rationale for change	Timesheets of relevant staff members has a stronger causal relationship to the portion of their salaries and wages relating to regulatory activities than the time spent by management on regulatory activities within Board meetings.		
Change in cost allocation 2			
Cost category			
Original allocator or line items			
New allocator or line items		–	–
Rationale for change			
Change in cost allocation 3			
Cost category			
Original allocator or line items			
New allocator or line items		–	–
Rationale for change			

* 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	Electra Limited
For Year Ended	31 March 2022

SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

This schedule requires information on the allocation of asset values. This information supports the calculation of the RAB value in Schedule 4.

EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any changes in asset allocations.

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

sch ref

7 5e(i): Regulated Service Asset Values

	Value allocated (\$000s) Electricity distribution services
Subtransmission lines	
Directly attributable	10,314
Not directly attributable	
Total attributable to regulated service	10,314
Subtransmission cables	
Directly attributable	12,713
Not directly attributable	
Total attributable to regulated service	12,713
Zone substations	
Directly attributable	31,223
Not directly attributable	
Total attributable to regulated service	31,223
Distribution and LV lines	
Directly attributable	56,684
Not directly attributable	
Total attributable to regulated service	56,684
Distribution and LV cables	
Directly attributable	40,073
Not directly attributable	
Total attributable to regulated service	40,073
Distribution substations and transformers	
Directly attributable	29,850
Not directly attributable	
Total attributable to regulated service	29,850
Distribution switchgear	
Directly attributable	18,041
Not directly attributable	
Total attributable to regulated service	18,041
Other network assets	
Directly attributable	14,453
Not directly attributable	
Total attributable to regulated service	14,453
Non-network assets	
Directly attributable	13,469
Not directly attributable	
Total attributable to regulated service	13,469
Regulated service asset value directly attributable	226,821
Regulated service asset value not directly attributable	–
Total closing RAB value	226,821

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

			(\$000)	
Change in asset value allocation 1			CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

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)
Change in asset value allocation 2				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
Change in asset value allocation 3				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				

Company Name

Electra Limited

For Year Ended

31 March 2022

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		155
10	Asset replacement and renewal		7,686
11	Asset relocations		16
12	Reliability, safety and environment:		
13	Quality of supply	2,244	
14	Legislative and regulatory	541	
15	Other reliability, safety and environment	471	
16	Total reliability, safety and environment		3,256
17	Expenditure on network assets		11,113
18	Expenditure on non-network assets		2,390
19			
20	Expenditure on assets		13,503
21	plus Cost of financing		71
22	less Value of capital contributions		–
23	plus Value of vested assets		61
24			
25	Capital expenditure		13,635
26	6a(ii): Subcomponents of Expenditure on Assets (where known)		(\$000)
27	Energy efficiency and demand side management, reduction of energy losses		–
28	Overhead to underground conversion		–
29	Research and development		–
30	6a(iii): Consumer Connection		
31	Consumer types defined by EDB*	(\$000)	(\$000)
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		
43			
44		System Growth	Asset Replacement and Renewal
45		(\$000)	(\$000)
46	Subtransmission	–	595
47	Zone substations	–	132
48	Distribution and LV lines	–	5,004
49	Distribution and LV cables	155	144
50	Distribution substations and transformers	–	799
51	Distribution switchgear	–	363
52	Other network assets	–	649
53	System growth and asset replacement and renewal expenditure	155	7,686
54	less Capital contributions funding system growth and asset replacement and renewal		
55	System growth and asset replacement and renewal less capital contributions	155	7,686
56	6a(v): Asset Relocations		
57	Project or programme*	(\$000)	(\$000)
58		–	
59			
60			
61			
62			
63	* include additional rows if needed		
64	All other projects or programmes - asset relocations	16	
65	Asset relocations expenditure		16
66	less Capital contributions funding asset relocations		
67	Asset relocations less capital contributions		16
68			

Company Name

Electra Limited

For Year Ended

31 March 2022

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

6a(vi): Quality of Supply

Project or programme*

(\$000)

(\$000)

Network Automation and Sectionalisation

1,045

Protection Work

714

Quality of supply expenditure

less Capital contributions funding quality of supply

485

2,244

Quality of supply less capital contributions

2,244

6a(vii): Legislative and Regulatory

Project or programme*

(\$000)

(\$000)

Seismic Strengthening of Zone Substation Buildings

541

* include additional rows if needed

All other projects or programmes - legislative and regulatory

Legislative and regulatory expenditure

less Capital contributions funding legislative and regulatory

541

Legislative and regulatory less capital contributions

541

6a(viii): Other Reliability, Safety and Environment

Project or programme*

(\$000)

(\$000)

Steel Link Pillar Removal

194

New ABS and renewals

162

Replacement of pitch-filled potheads

115

0

-

0

-

Other reliability, safety and environment expenditure

less Capital contributions funding other reliability, safety and environment

-

471

Other reliability, safety and environment less capital contributions

471

6a(ix): Non-Network Assets**Routine expenditure**

Project or programme*

(\$000)

(\$000)

Office Buildings, Depots & Workshops

81

Motor Vehicles

37

PPE (Tools, plant & other machinery)

436

ICT

687

* include additional rows if needed

All other projects or programmes - routine expenditure

177

Routine expenditure

1,419

Atypical expenditure

Project or programme*

(\$000)

(\$000)

Implementation of EAM and upgrade to Business Central

910

ADMS & SCADA Development

61

* include additional rows if needed

All other projects or programmes - atypical expenditure

-

Atypical expenditure

971

Expenditure on non-network assets

2,390

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	2,294	
9	Vegetation management	1,488	
10	Routine and corrective maintenance and inspection	1,447	
11	Asset replacement and renewal	616	
12	Network opex		5,845
13	System operations and network support	3,716	
14	Business support	4,290	
15	Non-network opex		8,006
16			
17	Operational expenditure		13,851
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		705
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		

Company Name

Electra Limited

For Year Ended

31 March 2022

SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE

This schedule compares actual revenue and expenditure to the previous forecasts that were made for the disclosure year. Accordingly, this schedule requires the forecast revenue and expenditure information from previous disclosures to be inserted.

EDBs must provide explanatory comment on the variance between actual and target revenue and forecast expenditure in Schedule 14 (Mandatory Explanatory Notes). This information is part of the audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8. For the purpose of this audit, target revenue and forecast expenditures only need to be verified back to previous disclosures.

sch ref

7	7(i): Revenue	Target (\$000) ¹	Actual (\$000)	% variance
8	Line charge revenue	36,278	38,040	5%
9	7(ii): Expenditure on Assets		Actual (\$000)	% variance
10	Consumer connection	400	–	(100%)
11	System growth	–	155	–
12	Asset replacement and renewal	7,147	7,686	8%
13	Asset relocations	–	16	–
14	Reliability, safety and environment:			
15	Quality of supply	3,057	2,244	(27%)
16	Legislative and regulatory	600	541	(10%)
17	Other reliability, safety and environment	635	471	(26%)
18	Total reliability, safety and environment	4,292	3,256	(24%)
19	Expenditure on network assets	11,839	11,113	(6%)
20	Expenditure on non-network assets	3,498	2,390	(32%)
21	Expenditure on assets	15,337	13,503	(12%)
22	7(iii): Operational Expenditure			
23	Service interruptions and emergencies	1,894	2,294	21%
24	Vegetation management	1,645	1,488	(10%)
25	Routine and corrective maintenance and inspection	1,050	1,447	38%
26	Asset replacement and renewal	418	616	47%
27	Network opex	5,007	5,845	17%
28	System operations and network support	4,841	3,716	(23%)
29	Business support	4,131	4,290	4%
30	Non-network opex	8,972	8,006	(11%)
31	Operational expenditure	13,979	13,851	(1%)
32	7(iv): Subcomponents of Expenditure on Assets (where known)			
33	Energy efficiency and demand side management, reduction of energy losses	–	–	–
34	Overhead to underground conversion	–	–	–
35	Research and development	–	–	–
36				
37	7(v): Subcomponents of Operational Expenditure (where known)			
38	Energy efficiency and demand side management, reduction of energy losses	–	–	–
39	Direct billing	–	–	–
40	Research and development	–	–	–
41	Insurance	–	705	–
42				

1 From the nominal dollar target revenue for the disclosure year disclosed under clause 2.4.3(3) of this determination

2 From the CY+1 nominal dollar expenditure forecasts disclosed in accordance with clause 2.6.6 for the forecast period starting at the beginning of the disclosure year (the second to last disclosure of Schedules 11a and 11b)

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

8 8(i): Billed Quantities by Price Component

Unit charging basis (eg, days, kW of demand, kVA of capacity, etc.)

Billed quantities by price component

Total distribution line charge revenue	Total transmission line charge revenue (if available)
\$28,102	—
\$5,469	—
\$4,178	—
\$176	—
\$115	—
—	—
—	—
\$38,040	—
—	—
\$38,040	—

Price component

Number of directly billed ICPs at year end

Check	OK
-------	----

Company Name
For Year Ended

Electra Limited
31 March 2022

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.	20,326	20,350	24	3
9	All	Overhead Line	Wood poles	No.	1,129	1,117	(12)	3
10	All	Overhead Line	Other pole types	No.	244	244	–	2
11	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	154	154	(0)	4
12	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	32	32	–	3
13	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	31	31	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.	71	71	–	3
28	HV	Zone substation switchgear	33kV RMU	No.	–	–	–	N/A
29	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	39	39	–	4
30	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	18	18	–	4
31	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	79	79	–	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	128	138	10	3
38	HV	Distribution Cable	Distribution UG PILC	km	117	117	0	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.	65	74	9	3
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.	2,929	2,935	6	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.	156	170	14	3
45	HV	Distribution Transformer	Pole Mounted Transformer	No.	1,611	1,629	18	3
46	HV	Distribution Transformer	Ground Mounted Transformer	No.	961	984	23	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	522	523	0	4
50	LV	LV Cable	LV UG Cable	km	499	511	12	3
51	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	64	64	–	3
52	LV	Connections	OH/UG consumer service connections	No.	46,617	46,982	365	3
53	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	169	171	2	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
59								

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.

8	Disclosure Year (year ended)	31 March 2022
---	------------------------------	---------------

Number of assets at disclosure year end by installation date

[illegible]

Company Name

Electra Limited

For Year Ended

31 March 2022

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

10

Circuit length by operating voltage (at year end)

11

> 66kV

12

50kV & 66kV

13

33kV

14

SWER (all SWER voltages)

15

22kV (other than SWER)

16

6.6kV to 11kV (inclusive—other than SWER)

17

Low voltage (< 1kV)

18

Total circuit length (for supply)

19

20

Dedicated street lighting circuit length (km)

21

Circuit in sensitive areas (conservation areas, iwi territory etc) (km)

22

23

Overhead circuit length by terrain (at year end)

24

Urban

25

Rural

26

Remote only

27

Rugged only

28

Remote and rugged

29

Unallocated overhead lines

30

Total overhead length

31

32

33

Length of circuit within 10km of coastline or geothermal areas (where known)

34

35

Overhead circuit requiring vegetation management

Total circuit length

Overhead (km)	Underground (km)	(km)
—	—	—
—	—	—
186	31	217
—	—	—
848	255	1,103
523	511	1,034
1,556	798	2,354
14	50	64
		16

Company Name	Electra Limited
For Year Ended	31 March 2022

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 2022**

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

Number of
connections (ICPs)

365

* include additional rows if needed

Connections total

365

Distributed generation

Number of connections made in year

160

connections

Capacity of distributed generation installed in year

0.95

MVA

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

GXP demand

83

plus Distributed generation output at HV and above

28

Maximum coincident system demand

111

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

Demand on system for supply to consumers' connection points

111

Demand at time of
maximum
coincident
demand (MW)**Electricity volumes carried**

Electricity supplied from GXPs

399

less Electricity exports to GXPs

plus Electricity supplied from distributed generation

62

less Net electricity supplied to (from) other EDBs

Electricity entering system for supply to consumers' connection points

461

less Total energy delivered to ICPs

424

Electricity losses (loss ratio)

37

8.0%

Load factor

0.48

9e(iii): Transformer Capacity

Distribution transformer capacity (EDB owned)

329

Distribution transformer capacity (Non-EDB owned, estimated)

15

Total distribution transformer capacity

345

Zone substation transformer capacity

358

(MVA)

Company Name **Electra Limited**For Year Ended **31 March 2022**

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

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

Class A (planned interruptions by Transpower)
 Class B (planned interruptions on the network)
 Class C (unplanned interruptions on the network)
 Class D (unplanned interruptions by Transpower)
 Class E (unplanned interruptions of EDB owned generation)
 Class F (unplanned interruptions of generation owned by others)
 Class G (unplanned interruptions caused by another disclosing entity)
 Class H (planned interruptions caused by another disclosing entity)
 Class I (interruptions caused by parties not included above)

–
178
266
9
–
–
–
–
–
453

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

Class C interruptions restored within

193	73
-----	----

SAIFI and SAIDI by class**SAIFI SAIDI**

Class A (planned interruptions by Transpower)
 Class B (planned interruptions on the network)
 Class C (unplanned interruptions on the network)
 Class D (unplanned interruptions by Transpower)
 Class E (unplanned interruptions of EDB owned generation)
 Class F (unplanned interruptions of generation owned by others)
 Class G (unplanned interruptions caused by another disclosing entity)
 Class H (planned interruptions caused by another disclosing entity)
 Class I (interruptions caused by parties not included above)

–	–
0.09	28.25
1.36	66.40
0.10	6.03
–	–
–	–
–	–
–	–
–	–
1.56	100.69

Total**Normalised SAIFI and SAIDI****Normalised SAIFI Normalised SAIDI**

Classes B & C (interruptions on the network)

1.56	100.69
------	--------

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

Lightning
 Vegetation
 Adverse weather
 Adverse environment
 Third party interference
 Wildlife
 Human error
 Defective equipment
 Cause unknown

0.03	1.82
0.39	14.91
0.01	0.60
–	–
0.20	17.68
0.08	3.45
0.09	5.29
0.44	20.01
0.12	2.65

Company Name **Electra Limited**For Year Ended **31 March 2022**

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(iii): Class B Interruptions and Duration by Main Equipment Involved**Main equipment involved**

SAIFI

SAIDI

Subtransmission lines

—

—

Subtransmission cables

—

—

Subtransmission other

—

—

Distribution lines (excluding LV)

0.08

25.73

Distribution cables (excluding LV)

0.01

2.53

Distribution other (excluding LV)

—

—

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

SAIFI

SAIDI

Subtransmission lines

0.06

0.81

Subtransmission cables

—

—

Subtransmission other

0.14

1.42

Distribution lines (excluding LV)

0.84

48.46

Distribution cables (excluding LV)

0.33

15.71

Distribution other (excluding LV)

—

—

10(v): Fault Rate**Main equipment involved**Number of
FaultsCircuit length
(km)Fault rate
(faults per
100km)

Subtransmission lines

3

186

1.61

Subtransmission cables

—

31

—

Subtransmission other

1

—

—

Distribution lines (excluding LV)

243

848

28.66

Distribution cables (excluding LV)

19

255

7.45

Distribution other (excluding LV)

—

—

—

Total

266

—

—



Company Name	Electra Limited
For Year Ended	31 March 2022

Schedule 14 Mandatory Explanatory Notes

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and subclauses 2.5.1(1)(f), and 2.5.2(1)(e).
2. This schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 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

The disclosed ROI under both a Vanilla (9.6%) and Post tax (9.3%) approach for 2022 is higher than 2021 (2.79% and 2.46% respectively) primarily because of an increase in the closing RAB due to revaluations for the disclosure year.

Revaluation for 2022 was \$14.4m compared with \$3m for 2021. This is driven by the increase in CPI of 6.93% between March 2021 and March 2022.

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 31 March 2022 is \$19.4m, which is an increase of \$14m from the previous year. Variances to the previous year primarily relate to an \$11.4m increase in revaluations and a \$2.7m increase in line charge revenue.

The increase in line charge revenue is attributed to the increase in volume for the disclosure year, as discussed in box 12.

The 'other regulated income' of \$2.9m is made up of the following:

- Chorus and Vodafone pole rental \$250k
- Transmission rental rebate \$789k
- Recovery of damage to network assets \$249k (from either insurers or directly from third parties)
- External contracting on the Electra Network \$1.6m

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 in the year ended 31 March 2022.

There have been no classified items in the year ended 31 March 2022.

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 \$17.6m in the disclosure year. This increase was due to assets commissioned of \$12.8m plus revaluations of \$14.4m, less depreciation of \$9m and asset disposals of \$0.5m.

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

Details of the movements in asset values are summarised below:

Subtransmission lines (\$000)	Subtransmission cables (\$000)	Zone Substations (\$000)	Distribution & LV Lines (\$000)	Distribution & LV Cables (\$000)	Distribution substations & transformers (\$000)	Distribution switchgear (\$000)	Other network assets (\$000)	Non- network assets (\$000)
858	543	1,398	6,619	2,336	1,575	1,702	1,083	1,534

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:

- KCE Mangahao JV \$317k
- Miscellaneous income \$64k
- Rental income \$69k

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

- Legal costs \$16k
- Consultancy costs \$103k
- Donations \$22k
- Capitalised costs of financing \$35k

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 \$150k (\$42k tax effect) and relate to:

- Provision for ACC (\$3k)
- Provision for Doubtful Debts (\$54k)
- Provision for Employee Costs \$207k

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 using 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 Accounting Based Allocation Approach (ABAA) methodology to allocate those costs. The use of causal relationships has been used 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 2022.

The not directly attributable costs include the following, and all apply a causal allocation of Management's estimate of staff time working on regulated and unregulated services:

- 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

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

Disclosed expenditure on assets totalled \$13.6m for 2022, which is a decrease of \$0.7m from the previous year and \$1.7m less than the AMP forecast.

Expenditure on network assets for the disclosure year was \$11.1m, which is a decrease of \$1.3m from the previous year.

Materiality threshold

A materiality threshold of \$100k has been applied to identify material projects or programme of work.

Reclassified items

No capital expenditure has been reclassified during the disclosure year.

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, 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's operational expenditure in the disclosure year was \$13.9m which is an increase of \$0.5m from the previous year, but in line with the AMP forecast.

Reclassified items

No items have been reclassified during this disclosure year.

Atypical expenditure

There have been no material items of atypical expenditure.

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**Capital Expenditure**

Overall, capital expenditure was \$1.8m less than the AMP forecast of \$15.3m. The following commentary is provided for where the variance against forecast exceeds material threshold level of \$100k:

- Customer Connection

Forecast \$400k; Actual \$0 (\$400k less than forecast)

The budget for this category was reallocated to Asset Replacement and Renewal during the disclosure year to cover expenditure on the 400V overhead network.

- System Growth

Forecast \$0; Actual \$155k (\$155k more than forecast)

The forecast for the 2021 disclosure year included a new 11kV feeder at Kapiti. During the detailed design phase of this project, it was identified that Electra could do an intelligent automation scheme to alleviate the reliability concerns and look at a more permanent solution for load growth a few years later when the loading eventuates due to airport/commercial developments. The switchgear required for this did not arrive in time for completion within the previous disclosure year, resulting in expenditure in the 2022 year.

- Asset Replacement and Renewal

Forecast \$7.1m; Actual \$7.7m (\$600k more than forecast)

Renewal expenditure exceeded forecast due to more damage to assets by third parties than anticipated (leading to asset replacements), and complex projects carried over from the previous disclosure year.

- Quality of supply

Forecast \$3m; Actual \$2.2m (\$800k less than forecast)

The forecast for the 2022 disclosure year included \$1m for capitalised salaries. Less salary costs were capitalised due to vacancies within the Network team, less projects involving the Network team acting in a project managerial capacity and an increased focus on fault response (due to the higher number of faults).

- Other reliability, safety and environment

Forecast \$635k; Actual \$470k (\$165k less than forecast)

The forecast for the 2022 disclosure year included budget to replace pitch-filled potheads with Raychem terminations. These replacements have been more complicated than anticipated due to ground conditions or access issues. As a result, uncompleted pitch-filled pothead replacements have been carried forward into the 2023 disclosure year.

- Non-network assets

Forecast \$3.5m; Actual \$2.4m (\$1.1m less than forecast)

The forecast for the disclosure year included budget to implement an Enterprise Asset Management (EAM) system and an upgrade of Microsoft Dynamics Nav 2015 to Business Central as well as ADMS and SCADA development.

The due diligence on selecting a product for the EAM took longer than anticipated, therefore some of this expenditure has been deferred to the 2023 disclosure year.

ADMS & SCADA development has been deferred to the 2023 disclosure year.

Operational Expenditure

Overall, operational expenditure was \$128k less than the AMP forecast of \$14m. The following commentary is provided for where the variance against forecast exceeds the material threshold level of \$100k:

- Service interruptions and emergencies

Forecast \$1.9m; Actual \$2.3m (\$400k more than forecast)

More than forecast due to more faults in the disclosure year and historic damage pay-outs settled during this disclosure year. The increased number of faults is consistent with the worsened SAIDI and SAIFI result for the disclosure year and was caused by higher than average storm damage and rainfall (the year ended 31 March 2022 had 53% more rainfall than the previous 20 years).

The number of faults caused by customers was consistent with prior years, however this is mostly treated as capital expenditure.

- Vegetation management

Forecast \$1.6m; Actual \$1.5m (\$157k less than forecast)

Less than forecast due to efficiency improvements and cross training within the vegetation management team to work on other areas of the network.

- Routine and corrective maintenance and inspection

Forecast \$1.1m; Actual \$1.4m (\$397k more than forecast)

Additional inspections were carried out in the disclosure year for pillars and transformers, continuing a catch up from prior years.

Priority pole straightening work was identified during the inspection process which was not included in the forecast for the disclosure year.

- Asset replacement and renewal

Forecast \$418k; Actual \$616k (\$198k more than forecast)

Repairing overhead lines exceeded budget due to additional traffic management requirements.

Expenditure in the disclosure year included replacement of Zone Substation tap changers and replacing cracked bushings.

- System operations and network support & Business Support

Forecast \$8m; Actual \$9m (\$1m less than forecast)

The underspend is attributable to vacant positions within the Network team for much of the disclosure year, and less training and travelling occurring due to both Covid-19 restrictions and the vacant positions.

This is offset by IT support agreements being greater than forecast. This is due to more emphasis on cloud-based products which is a subscription pricing model and work required to increase cyber security resiliency.

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

Revenue for the disclosure year of \$38m exceeded the target revenue of \$36.3m.

GXP volume for the disclosure year experienced 2% growth from the previous year. Any impact from the Covid-19 lockdowns and closure of businesses was compensated by the increase consumption of residential customers throughout the year.

Network losses exceeded forecast by 0.6% (Forecast 7.4%; Actual 8.0%).

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

For the disclosure year, actual SAIFI was 1.557 which was less than Electra's performance target of 1.66. Actual SAIDI for the year was 100.69 minutes which was above the target of 83 minutes. The main contributors were planned work (28.25 mins), defective equipment (20.01 mins), third party interferences (17.67 mins), vegetation (14.91), Human error (5.28 mins) and unknown cause (2.64 mins.) In addition to this there was loss of bulk supply due to Transpower initiated outage (6.03 mins).

Unknown cause is selected when there is insufficient evidence available to satisfy the criteria for a known cause. The outage is evaluated against each known cause type in turn, if a match fails then the cause type 'Unknown' is selected.

In the instance where an interruption to the supply of electricity distribution services is followed by restoration, and then by a "successive interruption", Electra calculates the SAIDI/SAIFI based on the multiple outages. This treatment is consistent with the 2019 disclosure year.

Performance was impacted by the following significant events in the 2022 disclosure period:

- 9th August 2021 – Transpower issued a nationwide emergency due to lack of generation and requested EDB's to carry out load shedding in their respective networks. Electra Network operator manually tripped feeders and isolated 4,876 customers for a duration of 2 hours. This added to 6.03 mins of SAIDI and 0.10 SAIFI.
- 9th August 2021 – Surge Arrestor failed due to corrosion on feeder L345 at Otaki and caused outage to 923 customers. This contributed to 2.80 mins of SAIDI and 0.02 SAIFI.
- 15th April 2021 – Car hit a 33/11kV pole at SH57, Levin. This contributed to 2.65 mins of SAIDI and 0.04 SAIFI.
- 17th June 2021 – Car hit an 11kV pole in Foxton. This contributed to 2.03 mins SAIDI and 0.017 SAIFI.
- 10th June 2021 – 11kV underground cable blew due to external damage in Paraparaumu. The fault was found under a driveway. The construction of the driveway may have contributed to the underground cable fault. This tripped feeders 404 and 403 simultaneously, as both feeders were in parallel at the time of fault. This contributed to 3 mins SAIDI and 0.03 SAIFI.
- 13th February 2022 – 11kV underground cable blew in Paraparaumu. This cable is a PILC cable and had joints on it. Water table in this area was high. Analysis interprets the outer sheathing cover on cable started to crack and allowed water to seep into the cable, which resulted in damage over time. This contributed to 2.18mins SAIDI and 0.06 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 31 March 2022 as outlined below;

- Buildings
- Stock
- Plant, computer and contents

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.

Electra has motor vehicle cover for vehicles owned or leased 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

There have been no amendments made to previously disclosed information.

Company Name	Electra Limited
For Year Ended	31 March 2022

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

nil



Valuation Methodology for Related Party transactions 2022

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 2022 financial year was \$403,000. A contract and SLA was signed with ESL in 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'.

Horowhenua Developments Limited

Electra Limited provided contracting services to Horowhenua Developments Limited in the disclosure year. The work comprised of installation of 11kV and 400V cable, streetlighting and connection to the Electra Network. This was 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'.



Electra

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 Charles Michael 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 the Electra Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained [and if not, what records and systems were used].
- 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

26 August 2022

Michael Charles Underhill – Director

26 August 2022



**INDEPENDENT ASSURANCE REPORT
TO THE DIRECTORS OF ELECTRA LIMITED AND TO THE COMMERCE COMMISSION
ON THE DISCLOSURE INFORMATION
FOR THE DISCLOSURE YEAR ENDED 31 MARCH 2022
AS REQUIRED BY
THE ELECTRICITY DISTRIBUTION INFORMATION DISCLOSURE DETERMINATION 2012**

Electra Limited (the Company) is required to disclose certain information under the Electricity Distribution Information Disclosure Determination 2012 (the Determination) and to procure an assurance report by an independent auditor in terms of section 2.8.1 of the Determination.

The Auditor-General is the auditor of the Company.

The Auditor-General has appointed me, Silvio Bruinsma, using the staff and resources of Deloitte Limited, to undertake a reasonable assurance engagement, on his behalf, on whether the information prepared by the Company for the disclosure year ended 31 March 2022 (the Disclosure Information) complies, in all material respects, with the Determination.

The Disclosure Information that falls within the scope of the assurance engagement are:

- Schedules 1 to 4, 5a to 5g, 6a and 6b, 7, 10 and 14 (limited to the explanatory notes in boxes 1 to 11) of the Determination.
- Clause 2.3.6 of the Determination and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012 ('the IM Determination'), in respect of the basis for valuation of related party transactions ('the Related Party Transaction Information').

This assurance report should be read in conjunction with the Commerce Commission's Information Disclosure exemption, issued to all electricity distribution businesses on 17 May 2021 under clause 2.11 of the Determination. The Commerce Commission granted an exemption from the requirement that the assurance report, in respect of the information in Schedule 10 of the ID Determination, must take into account any issues arising out of the Company's recording of SAIDI, SAIFI, and number of interruptions due to successive interruptions.

Opinion

In our opinion, in all material respects:

- as far as appears from an examination, 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, sourced from the Company's financial and non-financial systems;
- the Disclosure Information complies, in all material respects, with the Determination; and
- the basis for valuation of related party transactions complies with the Determination and the IM Determination.

Basis for opinion

We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3100 (Revised) *Assurance Engagements on Compliance*, issued by the New Zealand Auditing and Assurance Standards Board. An engagement conducted in accordance with SAE (NZ) 3100 (Revised) requires that we comply with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*.



We have obtained sufficient recorded evidence and explanations that we required to provide a basis for our opinion

Key Assurance Matters

Key assurance 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 compliance engagement, and in forming our opinion. We do not provide a separate opinion on these matters.

Key Assurance Matter	How our procedures addressed the key assurance 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 accuracy of the data 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>The completeness of the data is a key audit matter because although the faults database is automated, the details of some faults are entered manually onto a portable device which then flows into the Advanced Distribution Management System ('ADMS') which automatically logs all outages into the faults database.</p>	<p>We have:</p> <ul style="list-style-type: none">• Obtained an understanding of the Company's methods by which electricity outages and their duration are recorded;• Assessed the design and implementation of key controls related to the recording, reconciliation and review of the outage data obtained from ADMS;• For a sample of customer call logged at the Electra Call Centre, ensured that these were appropriately included within the ADMS data underlying the SAIDI/SAIFI values;• For a sample of outages, observed the number of consumers affected within the live ADMS on the date of testing and assessed the reasonability of this number against impacted consumers recorded in the data;• Reviewed the recorded detail for a sample of outages and ensured that the appropriate dates and times were used and the outage was started and ended by an appropriate individual; and• Recalculated the normalised SAIDI and SAIFI using the predetermined boundary limits;

Directors' responsibilities

The directors of the Company are responsible in accordance with the Determination for:

- the preparation of the Disclosure Information; and
- the Related Party Transaction Information

The directors of the Company are also responsible for the identification of risks that may threaten compliance with the schedules and clauses identified above and controls which will mitigate those risks and monitor ongoing compliance.

Auditor's responsibilities

Our responsibilities in terms of clauses 2.8.1(1)(b)(vi) and (vii), 2.8.1(1)(c) and 2.8.1(1)(d) are to express an opinion on whether:

- As far as appears from an examination, the information used in the preparation of the audited Disclosure Information has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems.

Deloitte.

- As far as appears from an examination, proper records to enable the complete and accurate compilation of the audited Disclosure Information required by the Determination have been kept by the Company and, if not, the records not so kept.
- The Company complied, in all material respects, with the Determination in preparing the audited Disclosure Information.
- The Company's basis for valuation of related party transactions in the disclosure year has complied, in all material respects, with clause 2.3.6 of the Determination and clauses 2.2.11(1)(g) and 2.2.11(5) of the IM Determination.

To meet these responsibilities, we planned and performed procedures in accordance with SAE (NZ) 3100 (Revised), to obtain reasonable assurance about whether the Company has complied, in all material respects, with the Disclosure Information (which includes the Related Party Transaction Information) required to be audited by the Determination.

An assurance engagement to report on the Company's compliance with the Determination involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the requirements. The procedures selected depend on our judgement, including the identification and assessment of the risks of material non-compliance with the requirements.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error, or non-compliance with the Determination may occur and not be detected. A reasonable assurance engagement throughout the disclosure year does not provide assurance on whether compliance with the Determination will continue in the future.

Restricted use

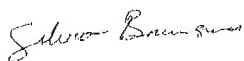
This report has been prepared for use by the directors of the Company and the Commerce Commission in accordance with clause 2.8.1(1)(a) of the Determination and is provided solely for the purpose of establishing whether the compliance requirements have been met. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the Company and the Commerce Commission, or for any other purpose than that for which it was prepared.

Independence and quality control

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 issued by the New Zealand Auditing and Assurance Standards Board; and
- 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 and its subsidiaries 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 trading activities of the Company, this engagement, and the annual audit of the Company's financial statements, we have no relationship with or interests in the Company or its subsidiaries.



Silvio Bruinsma
Deloitte Limited
On behalf of the Auditor-General
Wellington, New Zealand
26 August 2022