

Network Tasman Limited

Electricity Distribution (Information Disclosure) Requirements
Report Schedules

Schedules 2 to 13

15 June 2009

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Table of Contents

Instructions

- FS1 Regulatory Profit Statement
- FS2 Regulatory Asset & Financing Statement
- FS3 Regulatory Tax Allowance Calculation
- AV1 Annual Regulatory Valuation Roll-forward Report
- AV2 Regulatory Valuation Disclosure by Asset Class
- AV3 System Fixed Assets Replacement Cost Roll-forward Report
- AV4 Business Merger, Acquisition or Sale - Regulatory Asset Base Disclosure
- MP1 Network Information
- MP2 Performance Measures
- MP3 Price & Quality Measures
- AM1 Expenditure Forecasts and Reconciliation

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REPORT FS1: REGULATORY PROFIT STATEMENT

ref		Electricity Distribution Business:	Network Tasman	
5			For Year Ended	2009
6	Income			
7				(5000)
8	Net Line Charge Revenue Received		27,008	
9	plus Discretionary Discounts and Customer Rebates		5,909	FS1a
10	Gross Line Charge Income			32,917
11				
12				
13	Capital Contributions		60	
14	plus Net Value of Vested Assets		2,153	
15	Total Capital Contributions and Vested Assets			2,213
16				
17	AC Loss Rental Rebates Received		2,926	
18	less AC Loss Rental Rebates Passed On		1,091	
19	Net AC loss rental income (deficit)			1,835
20				
21				
22	Other Income		379	
23				379
24				
25	Total regulatory income			37,343
26				
27				
28	Expenses			
29				
30	Transmission Charges - Payments to Transpower		12,009	
31	plus Avoided Transmission Charges - payments to parties other than Transpower			
32	Total Transmission Costs			12,009
33				
34	Operational Expenditure:			
35	General Management, Administration and Overheads			
36	System Management and Operations			
37	Routine and Preventative Maintenance			to AM1
38	Refurbishment and Renewal Maintenance			to AM1
39	Fault and Emergency Maintenance			to AM1
40	Pass-through Costs			
41	Other			
42	Total Operational Expenditure			8,469 to MP2
43				
44				
45	Operational earnings			16,866
46				
47				
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)		5,590	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)		321	from AV1
50	Total Regulatory Depreciation			5,911 to FS3
51				
52				
53	Earnings before interest and tax (EBIT)			10,955 to FS3
54				
55	less Regulatory Tax Allowance			(131) from FS3
56				
57	plus Indexed Revaluation (of System Fixed Assets)		4,044	from AV1
58	plus Revaluations of Non-System Fixed Assets		-	from AV1
59				
60	Regulatory profit / loss (pre-financing and distributions)			15,130 to MP2

REPORT FS1: REGULATORY PROFIT STATEMENT (cont)**Notes to Regulatory Profit Statement**

69	FS1a: Discretionary Discounts: Customer Rebates and other line charge adjustments		(\$000)
70	Customer Rebates	5,909	
71	Line Charge Holidays and other Discretionary Discounts		
72	Total Discretionary Discounts and Customer Rebates		5,909

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges	-	
77	Operational Expenditure	-	
78	Subvention Payment	-	
79	Other related party expenditure	-	
80	Total Related Party Expenditure		-
81			
82	<i>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.</i>		
83			
84			

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

106	FS1d: Vested Assets		(\$000)
107	Consideration Paid for Vested Assets	60	

110	FS1e: Reclassified Items in Operational Expenditure		(\$000)
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			(\$000)
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			(\$000)
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			
	<i>to be repeated as required for multiple reclassifications</i>		

REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Network Tasman Limited	
	For Year Ended	2009	
5			
6			
7	Capital Expenditure on System Fixed Assets (by primary purpose)	(\$000)	
8	Customer Connection	3,467	to AM1
9	System Growth		to AM1
10	Reliability, Safety and Environment		to AM1
11	Asset Replacement and Renewal		to AM1
12	Asset Relocations		to AM1
13	Total Capital Expenditure on System Fixed Assets	3,467	to AM1
14			
15			
16	Capital Expenditure on Non-System Fixed Assets	221	from AV1
17			
18			
19	Capital works roll-forward (for System Fixed Assets)		
20	Works Under Construction at Beginning of Year	1,382	
21	plus Total Capital Expenditure on System Fixed Assets	3,467	
22	less Assets Commissioned in Year	3,925	from AV1
23	Works under construction at year end	924	
24			
25			
26	Regulatory Investment Value calculation		
27	System Fixed Assets: regulatory value at end of Previous Year	136,194	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	3,063	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	3,337	2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	142,594	
31			
32	plus System Fixed Assets Commissioned in Year	3,925	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	221	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	4,145	
36	Regulatory Asset Base investment in Current Financial Year - average	2,073	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	Adjustment for merger, acquisition or sale to another EDB	-	from AV4
40			
41	Regulatory Investment Value	144,667	to MP2

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REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

ref		Electricity Distribution Business:	Network Tasman
		For Year Ended	2009
5			
6			
7			(5000)
8	Earnings before interest and tax (EBIT)	10,955	from FS1
9			
10	add Total Regulatory Depreciation	5,911	from FS1
11	Other Permanent Differences - not deductible	8	
12	Other Temporary Adjustments - Current Period	(69)	
13		5,850	
15	less Non Taxable Capital Contributions and Vested Assets	2,119	
16	Tax Depreciation	4,480	
17	Deductible Discretionary Discounts and Customer Rebates	5,909	
18	Deductible Interest	4,734	from row 53
19	Other Permanent Differences - Non Taxable	-	
20	Other Temporary Adjustments - Prior Period	-	
21		17,242	
22			
23	Regulatory taxable income for Year	(437)	
24			
25	less Tax Losses Available at Start of Year	-	
26	Net taxable income	(437)	
27			
28	Statutory Tax Rate	30%	
29	Regulatory Tax Allowance	(131)	to FS1

Notes to Regulatory Tax Allowance Calculation**FS3a: Description of adjustments classified as "other"**

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).

FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)

48				
49				
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%	
51				
52	Standard Cost of Debt Assumption	8.18%	%	
53				
54	Deductible Interest	4,734	\$000	to row 18
55				
56	Interest Tax Shield Adjustment	1,420	\$000	to MP2

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

Electricity Distribution Business: Network Tasman	
For Year Ended: 2009	
Year of most recent ODV 2004	
	((\$000))
	ODV Year + ODV Year + ODV Year + ODV Year + ODV Year +
	1 2 3 4 5
	For Year Ending: 2005 2006 2007 2008 2009
System Fixed Assets	
Regulatory Value at End of Previous Year*	108,091 116,240 122,981 130,550 136,194 to FS2
plus	
Assets Commissioned	6,175 6,289 7,180 4,597 3,925 to FS2
Gross Value of Vested Assets	3,401 1,128 2,133 1,859 2,213 to FS1
Assets Acquired from (Sold to) a Non-EDB	- - - - - to FS2
Asset Additions	9,576 7,417 9,313 6,457 6,138
plus	
Indexed Revaluation	2,912 3,903 3,121 4,395 4,044 to FS1
less	
Depreciation of System Fixed Assets	4,339 4,579 4,865 5,070 5,349
Regulatory Value of Assets Decommissioned	- - - 138 241
Regulatory Depreciation (incl. value of assets decommissioned)	4,339 4,579 4,865 5,208 5,590 to FS1
plus (minus)	
Acquisition of System Fixed Assets from another EDB	- - - - - from AV4
less Sale of System Fixed Assets to another EDB	- - - - - from AV4
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	- - - - -
plus (minus)	
Net Increase (Decrease) Due to Changes in Asset Register Information	- - - - -
Regulatory Value of System Fixed Assets at Year End	116,240 122,981 130,550 136,194 140,786
Non-System Fixed Assets	
Regulatory value at end of previous year	1,036 951 2,887 2,946 3,063
plus Asset Additions	228 2,296 454 439 221 to FS2
plus Revaluations	- - - - - to FS1
less Depreciation (incl. value of assets decommissioned)	313 380 395 322 321 to FS1
plus Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	- - - - - from AV4
Regulatory Value of Non-System Fixed Assets at Year end	951 2,887 2,946 3,063 2,963
Total Regulatory Asset Base Value (excluding FDC)	117,191 125,869 133,496 139,257 143,749
* The commencing figure for completing this schedule is the most recent ODV value	
Note: Additional columns to be added if required	

Notes to Annual Regulatory Valuation Roll-forward Report

AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets	
CPI as at date of ODV	928
For Year Ended	2005 2006 2007 2008 2009
CPI at CPI reference date	953 985 1010 1044 1075
Revaluation Rate	2.69% 3.36% 2.54% 3.37% 2.97%
System Fixed Assets: Regulatory Value at End of Previous Year	108,091 116,240 122,981 130,550 136,194
Indexed Revaluation of System Fixed Assets	2,912 3,903 3,121 4,395 4,044 to FS1, AV1
AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB	
For Year Ended	2005 2006 2007 2008 2009
Acquisition of System Fixed Assets from another EDB	- - - - -
Sale of System Fixed Assets to another EDB	- - - - -
Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	- - - - -

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

ref	Electricity Distribution Business: Network Tasman							For Year Ended: 2009			
6											
7											
8											
9											
10											
	Subtotals by Asset Class (for System Fixed Assets)							(\$'000)			
11	System Fixed Assets										
12											
13	Regulatory Value of System Fixed Assets (as per most recent ODV)	5,768	9,689	24,144	39,528	16,895	6,893	5,174	108,091	Error (AV1)	
14	Cumulative roll-forward since most recent ODV:										
15	Asset Additions								38,900	from AV1	
16	Indexed Revaluation (of System Fixed Assets)								18,375	from AV1	
17	less Regulatory Depreciation (of System Fixed Assets)								24,581	from AV1	
18	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	from AV1	
19	Net Increase (Decrease) Due to Changes in Asset Register Information								-	from AV1	
20	Regulatory Value of System Fixed Assets at Year End								140,785	Error(AV1)	
21											

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

ref	Electricity Distribution Business:	Network Tasman	
5	For Year Ended:	2009	
6	System Fixed Assets - Replacement Cost		
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	System Fixed Assets - Depreciated Replacement Cost		
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)**Notes to Price and Quality Measures**

36	AV3a: New Asset Additions		
37			
38			
39			
40			
41			
42			

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

Electricity Distribution Business: Network Tasman Limited

ref	6	Disclosure required? (YES or NIL DISCLOSURE):	NO DISCLOSURE REQUIRED							
7										
8										
9		As at (date):								
10		Proportion of year following transfer of assets	0%							
11										
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		less Depreciation								
15		Depreciated Replacement Cost (DRC)								
16		less Optimisation adjustment								
17		Optimised Depreciated Replacement Cost (ODRC)								
18		less Economic Value Adjustment (EVA)								
19		Most recent ODV value								
20										
21										
22										
23										
24										
25		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		Cumulative roll-forward since most recent ODV:								
29		Asset Additions								
30		Indexed Revaluation (of System Fixed Assets)								
31		less Regulatory Depreciation (of System Fixed Assets)								
32		Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								
33		Net Increase (Decrease) due to Changes in Asset Register Information								
34		RAB Value of Transferred Assets at Transfer Date								
35		Acquisition of Assets from Another EDB								
36		Sale of Assets to Another EDB								
37		RAB Value of Transferred Assets at Transfer Date								
38		"p" factor (proportion of year following transfer of assets)								
39		Adjustment for merger, acquisition or sale to another EDB								
40										
41										
42		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						
43		Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC								
44		Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC								
45										
46										
47										
48										
49										
50										
51										
52		Signed by:	Selling Entity							
53										
54										
55										
56										
57										

Handwritten signature/initials in blue ink.

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

Electricity Distribution Business:

Network Tasman Limited

Disclosure required? (YES or NIL DISCLOSURE):

NO DISCLOSURE REQUIRED

As at (date):

Proportion of year following transfer of assets

0%

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

(\$000)

Replacement Cost (RC)

less Depreciation

Depreciated Replacement Cost (DRC)

less Optimisation adjustment

Optimised Depreciated Replacement Cost (ODRC)

less Economic Value Adjustment (EVA)

Most recent ODV Value

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

(\$000)

Regulatory Value of System Fixed Assets (as per most recent ODV)

Cumulative roll-forward since most recent ODV:

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

RAB Value of Transferred Assets at Transfer Date

Acquisition of Assets from Another EDB

Sale of Assets to Another EDB

RAB Value of Transferred Assets at Transfer Date

"p" factor (proportion of year following transfer of assets)

Adjustment for merger, acquisition or sale to another EDB

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

(\$000)

Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC

Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC

RC & DRC values of
System Fixed Assets at
transfer dateRAB value of
acquired/(sold) assets

to AV3

Signed by:

Selling Entity

Acquiring Entity

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

Electricity Distribution Business: Network Tasman Limited

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

As at (date):

Proportion of year following transfer of assets 0%

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

(\$000)

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

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)
Regulatory Value of System Fixed Assets (as per most recent ODV)			
Cumulative roll-forward since most recent ODV:			
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			
RAB Value of Transferred Assets at Transfer Date			
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%		to FS2
Adjustment for merger, acquisition or sale to another EDB			

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 MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Network Tasman Limited
6		For Year Ended: 2009
7	Network Name:	Network Tasman (enter "Total Business" or name of network)
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10	Circuit Length by Operating Line Voltage (at year end)	
11		Overhead (km) Underground (km) Total (km)
12	> 66kV	- - -
13	50kV & 66kV	- - -
14	33kV	123 20 143
15	SWER (all SWER voltages)	- - -
16	22kV (other than SWER)	91 13 104
17	6.6kV to 11kV (inclusive - other than SWER)	1,811 201 2,012
18	Low Voltage (< 1kV)	543 529 1,071
19	Total circuit length (for Supply)	2,568 762 3,330
20		to MP2
21	Dedicated Street Lighting Circuit Length	- - -
22		
23	Overhead Circuit Length by Terrain (at year end)	(km) (%)
24	Urban (only)	206 8%
25	Rural (only)	2,163 84%
26	Remote (only)	75 3%
27	Rugged (only)	- 0%
28	Rural & rugged (only)	117 5%
29	Remote & rugged (only)	8 0%
30	Unallocated overhead lines	- 0%
31	Total overhead length	2,569
32		Error (Row19)
33		
34	Transformer capacity (at year end)	
35	Distribution Transformer Capacity (EDB Owned)	341 MVA
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	5 MVA
37	Total Distribution Transformer Capacity	346 MVA (to MP2)
38		Previous Year
39	Zone Substation Transformer Capacity	158 MVA
40		158
41	System Fixed Assets age (at year end)	
42	Average Age of System Fixed Assets	31 Years
43	Average Expected Total Life of System Fixed Assets	53 Years
44	Average Age as a Proportion of Average Expected Total Life	59% %
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	10% %
47		
48		
49		
50		
51	Electricity demand	
52		Maximum coincident system demand (MW) Non-coincident Sum of maximum demands (MW)
53	GXP Demand	147 151
54	plus Embedded Generation Output at HV and Above	1
55	Maximum System Demand	148
56	less Net Transfers to (from) Other EDBs at HV and Above	32
57	Demand on system for supply to customers' Connection Points	116
58	less Subtransmission Customers' Connection Point Demand	20 23
59	Maximum Distribution Transformer Demand	97
60		to MP2
61	GXP Demand not Supplied at Subtransmission Level	1
62	Embedded Generation Output - Connected to Subtransmission System	0
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	- -
64		
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	20
66		
67	Five-Year System Maximum Demand Growth Forecast	1.8 % p a
68		
69	Electricity volumes carried	(GWh)
70	Electricity Supplied from GXPs	758
71	less Electricity Exports to GXPs	-
72	plus Electricity Supplied from Embedded Generators	7
73	less Net Electricity Supplied to (from) Other EDBs	155
74	Electricity entering system for supply to customers' Connection Points	609
75	less Electricity Supplied to Customers' Connection Points	575
76	Electricity Losses (loss ratio)	34 5.5% %
77		to MP2
78	Electricity Supplied to Customers' Connection Points	575
79	less Electricity Supplied to Largest 5 Connection Points	152
80	Electricity supplied other than to Largest 5 Connection Points	423 74% %
81		
82	Load Factor	60% %
83		
84	Number of Connection Points (at year end)	35,829 ICPs
85		to MP2
86	Intensity of service requirements	
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	29 kW/km
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	173 MWh/km
89	Connection Point Density (ICPs / Total circuit length)	11 ICP/km
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	16,055 kWh/ICP

REPORT MP2: PERFORMANCE MEASURES

Electricity Distribution Business: **Network Tasman Limited**
For Year Ended: **2009**

Performance comparators

	Previous Years:			Current Financial Year	
	Current Yr - 3	Current Yr - 2	Current Yr - 1		
Operational expenditure ratio					
Total Operational Expenditure			7	8	\$m from FS1
Replacement Cost of System Fixed Assets (at year end*)			277	290	\$m from AV3
Ratio (%)	Not defined	Not defined	2.36%	2.82%	%
Capital expenditure ratio					
Total Capital Expenditure on System Fixed Assets			4	3	\$m from FS2
Replacement Cost of System Fixed Assets (at year end*)			277	290	\$m from AV3
Ratio (%)	Not defined	Not defined	1.50%	1.20%	%
Capital expenditure growth ratio					
Capital Expenditure: Customer Connection and System Growth			4	3	\$m from FS2
Change in Total Distribution Transformer Capacity			11	6	MVA from MP1
\$/kVA	Not defined	Not defined	385	575	\$/kVA
Renewal expenditure ratio					
Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal			-	-	\$m from FS1 & 2
Regulatory Depreciation of System Fixed Assets			5	6	\$m from AV1
Ratio (%)	Not defined	Not defined	0%	0%	%
Distribution Transformer Capacity Utilisation					
Maximum Distribution Transformer Demand	86	88	94	97	MW from MP1
Total Distribution Transformer Capacity (at year end*)	318	330	340	348	kVA from MP1
Ratio (%)	27.1%	26.8%	27.7%	28.0%	%
Return on Investment					
Regulatory Profit / Loss (pre-financing and distributions)			14	15	\$m from FS1
less Interest Tax Shield Adjustment			1	1	\$m from FS3
Adjusted Regulatory Profit	-	-	13	14	\$m
Regulatory Investment Value			139	145	\$m from FS2
Ratio (%)	Not defined	Not defined	9.29%	9.48%	%

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

Expenditure comparison table

	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)	1,107	6	24,847	103	10,806
Operational Expenditure (\$ per)	2,543	15	57,067	236	24,819

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REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

ref	Electricity Distribution Business:	Network Tasman
6	For Year Ended:	2009
7	Network Name:	Network Tasman
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10	QUALITY	
12	Interruptions	
13	Interruptions by class	
14	Class A	4 planned interruptions by Transpower:
15	Class B	152 planned interruptions on the network
16	Class C	143 unplanned interruptions on the network
17	Class D	2 unplanned interruptions by Transpower
18	Class E	- unplanned interruptions of network owned generation
19	Class F	- unplanned interruptions of generation (non-network)
20	Class G	- unplanned interruptions caused by other electricity industry participant
21	Class H	- planned interruptions caused by other electricity industry participant
22	Total	301 Total of above
24	Interruption targets for Forecast Year	
25	Class B	2010 150 Current Financial Year +1 planned interruptions on the network
26	Class C	120 unplanned interruptions on the network
28	Average interruption targets for 5 Forecast Years	
29	Class B	2010-2014 150 Current Financial Year +1 to +5 planned interruptions on the network
30	Class C	120 unplanned interruptions on the network
32	Class C Interruptions restored within	
33	≤3Hrs	>3hrs
34	119	24
35	Faults	
36	Faults per 100 circuit kilometres	
37	The total number of faults for Current Financial Year	143.00 in year 2009
38	The total number of faults forecast for the Forecast Year	120.00 in year 2010
39	The average annual number of faults forecast for the 5 Forecast Years	120.00 average over years 2010-2014
41	Fault Information per 100 circuit kilometres by Voltage and Type	
42	6.6kV & 11kV non-SWER	22kV non-SWER
43	SWER	SWER
44	33kV	50kV & 66kV
45	>66kV	
46	Is this voltage part of the EDB system?	Yes No
47	Current Financial Year	6.96 - 2.10
48	Forecast Year	5.86 - 1.40
49	Average annual for 5 Forecast Years	5.81 0.96 1.40
51	Fault Information per 100 circuit kilometres by Voltage and Type	
52	6.6kV & 11kV non-SWER	22kV non-SWER
53	SWER	SWER
54	33kV	50kV & 66kV
55	>66kV	
56	Underground	4.48 - -
57	Overhead	7.07 - 2.44
59	Reliability	
60	Overall reliability	
61	Based on the total number of interruptions	SAIDI 342.31 SAIFI 2.33 CAIDI 147.21
62	Reliability by interruption class	
63	Class B	SAIDI 30.41 SAIFI 0.13 CAIDI 228.04
64	Class C	214.62 1.53 140.00
65	Targets for Forecast Year	
66	Class B	SAIDI 25.00 SAIFI 0.18 CAIDI 140.00
67	Class C	79.00 1.13 70.00
68	Average targets for 5 Forecast Years	
69	Class B	SAIDI 25.00 SAIFI 0.18 CAIDI 140.00
70	Class C	76.20 1.09 70.00
71	PRICES	
72	Price Information by Connection Point Class	
73	Connection Point Class	
74	Small Connection Points	Medium Connection Points
75	Large Connection Points	Largest 5 Connection Points
76	Total	
77	Gross line charge income (\$000)	17,277 4,492 6,994 2,309 31,071 Error (FS1)
78	Electricity Supplied to Customers' Connection Points (MWh)	245,311 52,196 125,517 152,208 575,233 from MP1
79	Number of Connection Points (ICPs) at year end	34,044 1,520 260 5 35,829 from MP1
80	Unit Price (cents/kWh)	7.0 8.6 5.6 1.5 5.4
81	Relative Unit Price Index	1.00 1.22 0.79 0.22 0.77

REPORT MP3: PRICE AND QUALITY (cont)**Notes to Price and Quality Measures**

00	MP3a: Connection Point Class breakpoints	
01		
02	Connection Point Class breakpoints methodology	kVA based breakpoints
03	kVA based breakpoints - additional disclosure	
04	Breakpoint between small and medium classes	20 kVA
05	Breakpoint between large and medium classes	70 kVA
06		

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REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

Electricity Distribution Business: Network Tasman

For Year Ended 2009
(\$000)A) Five year forecasts of expenditure
From most recent Asset Management Plan

	Actual for Current Financial Year	Forecast Years					
		year 1	year 2	year 3	year 4	year 5	
for year ended	2009	2010	2011	2012	2013	2014	
Capital Expenditure: Customer Connection	3,467	525	525	1,051	1,051	1,051	from FS2
Capital Expenditure: System Growth	-	4,008	3,753	3,147	1,147	1,997	from FS2
Capital Expenditure: Reliability, Safety and Environment	-	725	1,290	70	30	30	from FS2
Capital Expenditure: Asset Replacement and Renewal	-	1,620	947	382	585	560	from FS2
Capital Expenditure: Asset Relocations	-	569	500	500	500	500	from FS2
Subtotal - Capital Expenditure on asset management		7,429	7,015	5,149	3,312	4,137	
Operational Expenditure: Routine and Preventative Maintenance	-	1,279	1,279	1,279	1,279	1,179	from FS1
Operational Expenditure: Refurbishment and Renewal Maintenance	-	1,800	1,800	1,800	1,650	1,650	from FS1
Operational Expenditure: Fault and Emergency Maintenance	-	435	435	435	435	435	from FS1
Subtotal - Operational Expenditure on asset management		3,514	3,514	3,514	3,364	3,264	
Total direct expenditure on distribution network		10,943	10,530	8,663	6,676	7,401	
Overhead to Underground Conversion Expenditure		500	500	500	500	500	

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).

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

	Actual for Current Financial Year (a)	Previous forecast for Current Financial Year (b)	% Variance (a)/(b)-1	
Capital Expenditure: Customer Connection	3,467		Not defined	from row 10
Capital Expenditure: System Growth	-		Not defined	from row 11
Capital Expenditure: Asset Replacement and Renewal	-		Not defined	from row 12
Capital Expenditure: Reliability, Safety and Environment	-		Not defined	from row 13
Capital Expenditure: Asset Relocations	-		Not defined	from row 14
Subtotal - Capital Expenditure on asset management	3,467		Not defined	
Operational Expenditure: Routine and Preventative Maintenance	-		Not defined	from row 17
Operational Expenditure: Refurbishment and Renewal Maintenance	-		Not defined	from row 18
Operational Expenditure: Fault and Emergency Maintenance	-		Not defined	from row 19
Subtotal - Operational Expenditure on asset management			Not defined	
Total direct expenditure on distribution network	3,467	-	Not defined	

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):

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Efficiency Performance Measures

		2009	2008	2007	2006
		\$	\$	\$	
(a)	Direct line costs per kilometer	1,846	1,371	1,365	1,308
(b)	Indirect line costs per electricity customer	66	57	50	50

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Network Tasman Limited

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CERTIFICATE FOR DISCLOSED INFORMATION

Pursuant to Requirement 11(1)

We, Christopher Ian Menzies TURNER and Michael John McCLISKIE, directors of Network Tasman Limited certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of Network Tasman 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.

Christopher Ian Menzies Turner

Michael John McCliskie

Dated: 21st August 2009

Auditor's Independent Assurance Report

To the Board of Directors of Network Tasman Limited

**Report on Network Tasman Limited's compliance with the Electricity Distribution
(Information Disclosure) Requirements 2008 for the financial year ended
31 March 2009**

The Auditor-General is the auditor of Network Tasman Limited (the company). The Auditor-General has appointed me, John Mackey, using the staff and resources of Audit New Zealand, to provide an opinion on the compliance of the attached reports FS1 to FS3, AV1 to AV4, MP1 To MP3 and AM1 prepared by the company with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements) for the financial year ended 31 March 2009. 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 2009.

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 2009. 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

The company's financial statements for the year ended 31 March 2009 have been subject to audit. The audit opinion on the financial statements for the year ended 31 March 2009 was unqualified and was dated on 26 June 2009.

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 International Standard on Assurance Engagements (New Zealand) 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information 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 2009 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, we have no relationship with or interests in the company.

Unqualified Opinion

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 2009 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 2009 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 unaudited 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 2009 and the immediately preceding financial year, and has calculated the prospective financial and non-financial information based on unaudited source data provided by the company.



John Mackey
Audit New Zealand
On behalf of the Auditor-General
Christchurch

21 August 2009

Matters relating to the electronic presentation of the disclosure information

This audit report relates to the disclosure information of Network Tasman Limited (the company) for the year ended 31 March 2009 included on the company's website. The company's Board of Directors is responsible for the maintenance and integrity of the company's website. We have not been engaged to report on the integrity of the company's website. We accept no responsibility for any changes that may have occurred to the disclosure information since it was initially presented on the website.

The audit report refers only to the disclosure information named above. It does not provide an opinion on any other information which may have been hyperlinked to or from this disclosure information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited disclosure information and related audit report dated 21 August 2009 to confirm the information included in the audited disclosure information presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.