

Commerce Commission

Template Electricity Distribution (Information Disclosure) Requirements Report Schedules

Schedules 2 to 13

2011 TEMPLATE

Version 1.0 Template

31 March 2011

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Template Guidelines

The Template Electricity Distribution (Information Disclosure) Requirements Report Schedules (Templates) have been made available to assist Distribution Business with the completion of their regulatory reporting requirements. The template and more specifically the formula have been prepared to be consistent with the Requirements. For the avoidance of doubt, the Electricity Distribution (Information Disclosure) Requirements, take precedence over the Templates where there is an inconsistency.

The following guidelines have been prepared to assist the preparer of the reports in completing the templates. The templates are linked through formulae. The completion of the templates as outlined below will assist the users in the process of inputting information.

Various disclosures in the reports are ascertainable from other disclosures, therefore where appropriate the template includes formula that automatically populates those disclosures. Therefore where formula is provided, manual input is not required.

<u>Step</u>	<u>Guideline</u>	<u>Reference</u>
Step 1 - Company Name and Dates		
	Insert company name and current financial year (year end date) in cells E4 and F5 of FS1 respectively. Note - only the year of the year end date is to be input (Example -"2008")	FS1
	Insert most recent ODV date in cell I6 of sheet AV1. Note - only the year of the most recent ODV date is to be input (Example -"2004") Note - that all other dates in the templates will automatically update	AV1
Step 2 - Asset Valuation Information		
	Enter the asset valuation information into reports AV1, AV2, AV3 and AV4. Points to note:	AV1 AV2 AV3 AV4
	AV1 Historic Information should be entered first, including - 'Regulatory Value at End of Previous Year' and other previous years information (if required). Note - the previous year information required is entered into the input cells to the left of the non-coloured cells. The current year information input cells will be white once Step 1 is complete.	AV1
	Indexed Revaluation on line 19 of AV1 is automatically updated once the historic information is complete and the CPI information has been entered into AV1a. The CPI information is determined as outlined in the definitions included in Schedule 1 of the Requirements.	AV1
	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB information on lines 26 to 28 will be automatically populated once AV1b is complete.	AV1
	For AV1b - 'Input for prior year Acquisitions (Sales) of Assets to (from) another EDB', the prior years information is that which has been disclosed in lines 26, 27 and 41 of AV1 in previous years. Note - there is no requirement to disclose the Current Financial Year information for AV1b.	AV1
	A report AV4 is to be completed for each merger or asset transfer with another EDB. If there has been no merger or asset transfer activity (as defined by Requirement 6(4)) select 'NO DISCLOSURE REQUIRED' in the drop down menus of cell E6 of each of the AV4's. The Templates allow for three separate merger or asset transfers. The Commission can be contacted if additional AV4 reports are required.	AV4
	AV3a reconciles the difference between the Asset Additions Replacement Cost and Depreciated Replacement cost as disclosed in AV1 and AV3. Cell F38 of AV3 will be automatically populated once line 17 of AV1 is entered. Cell F39 is required to be populated to complete the calculation of the Replacement Cost which flows to Cell F11.	AV1 AV3
	An error message in cells N13 or N21 indicates there is discrepancy between AV1 and AV2.	AV1 AV2
<u>Step</u>	<u>Guideline</u>	<u>Reference</u>

Step 3 - Financial Statements Information

Enter the financial statement information into reports FS1, FS2 and FS3. Points to note:	FS1 FS2 FS3 FS1
Discretionary Discounts and Customer Rebates on line 9 of FS1 is automatically populated once FS1a is complete.	
Net Value of Vested Assets on line 14 of AV1 is automatically populated once FS1d is complete.	FS1
Regulatory Tax on line 55 of FS1 is automatically populated once FS3 is complete.	FS1 FS3
Deductible Interest on line 18 of FS3 is automatically populated once FS2b is complete.	FS2 FS3
The Standard Cost of Debt Assumption is determined as outlined in the definitions included in Schedule 1 of the Requirements.	
FS1b, FS1c and FS1e includes supporting information to the disclosures that are made in the main report of FS1 and would be best completed once the main report of FS1 is complete.	FS1
Section 3 of of the Information Disclosure Handbook outlines the required related party disclosures. FS1b is a summary of this information and the full disclosures will require additional disclosure by way of a separate note.	FS1
FS3a is supporting information to the disclosures that are made in the main report of FS3 and would be best populated once the main report of FS3 is complete.	FS3

Step 4 - Measurement Performance Information

Enter the measurement performance information into reports MP1, MP2 and MP3. Points to note:	MP1 MP2 MP3 MP1 MP3
'Total Business' should be entered into cell E7 of MP1 for disclosures relating to the total business. If additional reports MP1 and MP3 are required (as per Requirements 6(1)(b), 6(1)(c) or 6(4)) a separate file should be created and the name of the network/assets for which the report relates should be entered into cell E7.	
Either 'Annual Disclosure- Requirement 6(1)' or 'Merger or Asset Transfer - Requirement 6(4)' should be selected from the drop down menu in cell E8	MP1
Historic information is required in cells J35-J37 and J39 of MP1 and in the Numerator and Denominator of previous years disclosures in MP2 (refer Part 4 - Transitions Provisions for exceptions during the transitional period).	MP2
The formula for the determination of the Denominator for the Operational Expenditure Ratio, Capital Expenditure Ratio and Distribution Transformer Ratio in MP2 is based on there being no merger or asset transfer activity during the Current Financial Year. If there has been merger or asset transfer activity as determined by Requirement 6(4) the denominator should be calculated as per that Requirement. Therefore the formula in these cells are unlocked so an appropriate entry can be made if required.	MP2
An error message in cell G32 of MP1 indicates there is a discrepancy between the Overhead Circuit Length disclosure and the Circuit Length by Operating Voltage disclosure	MP1
An error message in cells L76-L78 of MP3 indicates there is discrepancy between MP3 and FS1 or MP2	FS1 MP2 MP3

Step 5 - Asset Management Information

Enter the asset management information into report AM1. Point to note:	AM1
A separate note is to be provided where explanations required in cells D26 and D52 exceed the space provided in those cells.	

REPORT FS1: REGULATORY PROFIT STATEMENT

ref	Electricity Distribution Business:	Network Tasman	
5			For Year Ended 2011
6	Income		
7			(\$000)
8	Net Line Charge Revenue Received	26,800	
9	plus Discretionary Discounts and Customer Rebates	9,178	FS1a
10	Gross Line Charge Income	35,978	
11			
12			
13	Capital Contributions	448	
14	plus Net Value of Vested Assets	1,502	
15	Total Capital Contributions and Vested Assets	1,950	
16			
17	AC Loss Rental Rebates Received	1,121	
18	less AC Loss Rental Rebates Passed On	393	
19	Net AC loss rental income (deficit)	727	
20			
21			
22	Other Income	271	
23		271	
24			
25	Total regulatory income	38,926	
26			
27			
28	Expenses		
29			
30	Transmission Charges - Payments to Transpower	12,061	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	-	
32	Total Transmission Costs	12,061	
33			
34	Operational Expenditure:		
35	General Management, Administration and Overheads	2,520	
36	System Management and Operations	1,464	
37	Routine and Preventative Maintenance	1,535	to AM1
38	Refurbishment and Renewal Maintenance	1,724	to AM1
39	Fault and Emergency Maintenance	568	to AM1
40	Pass-through Costs	191	
41	Other	-	
42	Total Operational Expenditure	8,003	to MP2
43			
44			
45	Operational earnings	18,862	
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	7,301	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	257	from AV1
50	Total Regulatory Depreciation	7,558	to FS3
51			
52			
53	Earnings before interest and tax (EBIT)	11,304	to FS3
54			
55	less Regulatory Tax Allowance	(174)	from FS3
56			
57	plus Indexed Revaluation (of System Fixed Assets)	6,419	from AV1
58	plus Revaluations of Non-System Fixed Assets	-	from AV1
59			
60	Regulatory profit / loss (pre-financing and distributions)	17,897	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	-	
71	Line Charge Holidays and other Discretionary Discounts	9,178	
72	Total Discretionary Discounts and Customer Rebates		9,178

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges	45	
77	Operational Expenditure	-	
78	Subvention Payment	-	
79	Other related party expenditure	-	
80	Total Related Party Expenditure		45
81			
82			
83	<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>		
84			

Embedded Generators -
Pupu Onekaka Brooklyn

45
-
-
-
45

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	-	Notes to be provided separately
94	within expenditure category:	Select one	
95			
96	Material item amount 2	-	Notes to be provided separately
97	within expenditure category:	Select one	
98			
99	Material item amount 3	-	Notes to be provided separately
100	within expenditure category:	Select one	
101			
102			
103			

(further disclosures to be provided on separate page if required)

106	FS1d: Vested Assets		(\$000)
107	Consideration Paid for Vested Assets		71

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			

to be repeated as required for multiple reclassifications

Information Disclosure 2011 - Network Tasman Limited
Additional Disclosure - FSC1 c Operational Expenditure Notes

	Expenditure as per FS1	Materiality Threshold (10%)	Material Item Disclosure (000's)
<u>General Management, Administration and Overheads</u>	2,520	252.0	
Salaries			1,239.2
IT Consultancy Fees & Licenses			238.7
<u>System Management and Operations</u>	1,464	146.4	
Salaries			915.4
Management Fee			260.7
<u>Routine and Preventative Maintenance</u>	1,535	154	
Tree Cutting			240.2
Line Corridors			304.6
Tree Regulations Removals			315.0
Fall Distance Removal			194.9
<u>Refurbishment and Renewal Maintenance</u>	1,724	172	
Pole Replacements			983.5
<u>Fault and Emergency Maintenance</u>	568	57	
Fault Service Net of Recoveries			443.0
Emergency Maintenance			113.1
<u>Pass-through Costs</u>	191	19.1	
Electricity Commission Levies			90.7
Commerce Commission Levies			71.6
Rates			28.8
Other	-	-	-

Requirement 8 - Related Parties

Parent entity

The holding entity of the company is the Network Tasman Trust which holds 100% of the company's shares

Associate company

Network Tasman Limited provided operational and management services to Nelson Electricity Limited, an associate company. Fees for management and operational services were charged at fair value.

Transmission costs charged by national grid operator Transpower NZ Limited for connection by Nelson Electricity Limited to the national grid are on-charged, at cost, by Network Tasman Limited to Nelson Electricity Limited.

Industry levies charged by the Electricity Commission to enforce the industry specific regulatory regime are on-charged, on a kWh basis, by Network Tasman Limited to Nelson Electricity Limited.

Operational and management fee charged	173
Net transmission costs on-charged	2,231
Commerce Commission levies on-charged	(41)
Balance due from Nelson Electricity Limited as at period end	204

Mr C Turner - Nelson Pine Industries Limited

Nelson Pine Industries Limited, a company in which Mr C Turner (a director of Network Tasman Limited) is Chief Executive, contracts directly on an arms length basis with Network Tasman Limited, for distribution services.

As at 31 March 2011, the balance owing by Nelson Pine Industries Limited was \$80,000 (31 March 2010 : \$98,000).

Total sales to Nelson Pine Industries Limited for the year ending 31 March 2011 were \$950,000 (31 March 2010 : \$1,140,000).

Mr M J McCliskie - Accident Compensation Corporation

Accident Compensation Corporation, a company in which Mr M J McCliskie (a director of Network Tasman Limited) is a director, deals on an arms length basis with Network Tasman Limited, for ACC levies and employee reimbursement.

As at 31 March 2011 the balances owing to and by Accident Compensation Corporation was nil. Total levy payments to the Accident Compensation Corporation for the year ending 31 March 2011 were \$28,000 (31 March 2010 : \$33,000). Total employee reimbursement received from the Accident Compensation Corporation for the year ending 31 March 2011 was \$0 (31 March 2010 : \$3,008).

Mr M J McCliskie - Alliance Group Limited

Alliance Group Limited, a company in which Mr M J McCliskie (a director of Network Tasman Limited) stopped being a director for 18 December 2009, contracts directly on an arms length basis with Network Tasman Limited, for distribution services. As at 31 March 10, the balance owing by Alliance Group Limited was \$18,000. Total sales to Alliance Group Limited for the year ending 31 March 2010 were \$177,000.

There are close family members of key management personnel employed by the Company. The terms and conditions of those arrangements are no more favourable than the Company would have adopted if there were no relationship to key management personnel.

No related party debts have been written off or forgiven during the period (31 March 2010 : nil).

REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Network Tasman	
		For Year Ended	2011
5			
6			
7	Capital Expenditure on System Fixed Assets (by primary purpose)		(\$000)
8	Customer Connection	826	to AM1
9	System Growth	1,302	to AM1
10	Reliability, Safety and Environment	323	to AM1
11	Asset Replacement and Renewal	1,832	to AM1
12	Asset Relocations	1,543	to AM1
13	Total Capital Expenditure on System Fixed Assets	5,825	to AM1
14			
15			
16	Capital Expenditure on Non-System Fixed Assets	282	from AV1
17			
18			
19	Capital works roll-forward (for System Fixed Assets)		
20	Works Under Construction at Beginning of Year	591	
21	plus Total Capital Expenditure on System Fixed Assets	5,825	
22	less Assets Commissioned in Year	5,917	from AV1
23	Works under construction at year end	500	
24			
25			
26	Regulatory Investment Value calculation		
27	System Fixed Assets: regulatory value at end of Previous Year	143,714	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	2,840	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	3,521	2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	150,074	
31			
32	plus System Fixed Assets Commissioned in Year	5,917	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	282	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	6,198	
36	Regulatory Asset Base investment in Current Financial Year - average	3,099	
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	153,173	to MP2

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

ref		Electricity Distribution Business:	Network Tasman	
5			For Year Ended	2011
6				
7				(\$000)
8		Earnings before interest and tax (EBIT)	11,304	from FS1
9				
10	add	Total Regulatory Depreciation	7,558	from FS1
11		Other Permanent Differences - not deductible	13	
12		Other Temporary Adjustments - Current Period	(140)	
13			7,431	
15	less	Non Taxable Capital Contributions and Vested Assets	2,093	
16		Tax Depreciation	4,008	
17		Deductible Discretionary Discounts and Customer Rebates	9,178	
18		Deductible Interest	4,037	from row 53
19		Other Permanent Differences - Non Taxable	-	
20		Other Temporary Adjustments - Prior Period	-	
21			19,315	
22				
23		Regulatory taxable income for Year	(580)	
24				
25	less	Tax Losses Available at Start of Year	-	
26		Net taxable income	(580)	
27				
28		Statutory Tax Rate	30%	
29		Regulatory Tax Allowance	(174)	to FS1

Notes to Regulatory Tax Allowance Calculation

36	FS3a: Description of adjustments classified as "other"
37	
38	The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory
39	notes can be provided in a separate note if necessary).
40	
41	
42	
43	
44	
45	

48	FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)		
49			
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%
51			
52	Standard Cost of Debt Assumption	6.59%	%
53			
54	Deductible Interest	4,037	\$000 to row 18
55			
56	Interest Tax Shield Adjustment	1,211	\$000 to MP2

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

Electricity Distribution Business: **Network Tasman**
 For Year Ended: **2011**

ref
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 21

Subtotals by Asset Class (for System Fixed Assets)

(\$000)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	
System Fixed Assets									
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)
Cumulative roll-forward since most recent ODV:									
Asset Additions								52,181	from AV1
Indexed Revaluation (of System Fixed Assets)								27,676	from AV1
less Regulatory Depreciation (of System Fixed Assets)								37,626	from AV1
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	from AV1
Net Increase (Decrease) Due to Changes in Asset Register Information								-	from AV1
Regulatory Value of System Fixed Assets at Year End								150,321	Error(AV1)

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

ref	Electricity Distribution Business:	Network Tasman
	For Year Ended:	2011
5		
6	System Fixed Assets - Replacement Cost	
7		(\$000)
8	Replacement cost at end of previous year	300,396
9		
10	Asset Additions	7,490
11	Indexed Revaluation (of System Fixed Assets)	13,418
12	<i>less</i> Replacement Cost of Assets Decommissioned	2,171
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-
14	Net Increase (Decrease) Due to Changes in Asset Register Information	-
15	Replacement cost of System Fixed Assets at year end	319,133
16		
17		
18	System Fixed Assets - Depreciated Replacement Cost	
19		
20	Depreciated Replacement Cost at end of previous year	151,095
21		
22	Asset Additions	7,490
23	Indexed Revaluation (of System Fixed Assets)	6,749
24	<i>less</i> Depreciation of Replacement Cost	6,923
25	<i>less</i> Depreciated Replacement Cost of Assets Decommissioned	378
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-
27	Net Increase (Decrease) Due to Changes in Asset Register Information	-
28	Depreciated replacement cost of System Fixed Assets at year end	158,032

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

Notes to Price and Quality Measures

36	AV3a: New Asset Additions	
37		
38	Asset Additions - Depreciated Replacement Cost	7,490
39	<i>plus</i> Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	-
40		
41	Asset Additions - Replacement Cost	7,490
42		

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

Electricity Distribution Business: Network Tasman

ref
6 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 transforme	Distribution switchinggear	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%		
Adjustment for merger, acquisition or sale to another EDB		-	to FS2

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

(\$000)

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

Signed by: Selling Entity

Acquiring Entity

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

Electricity Distribution Business: Network Tasman

ref
6 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 transforme	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%		
Adjustment for merger, acquisition or sale to another EDB		-	to FS2

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		-	

Signed by: Selling Entity

Acquiring Entity

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

Electricity Distribution Business: Network Tasman

6 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 transforme	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	-	-	-	-	-	-	-	-

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	-	-	to AV1
36 Sale of Assets to another EDB	-	-	to AV1
37 RAB Value of Transferred Assets at Transfer Date	-		
38 "p" factor (proportion of year following transfer of assets)	0%		
39 Adjustment for merger, acquisition or sale to another EDB		-	to FS2

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

(\$000)

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

Signed by: Selling Entity

Acquiring Entity

REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Network Tasman		
6		For Year Ended:	2011	
7	Network Name:	Network Tasman <small>(enter "Total Business" or name of network)</small>		
9	Disclosure:	Annual Disclosure - Requirement 6(1)		
10	Circuit Length by Operating Line Voltage (at year end)	Overhead (km)	Underground (km)	Total (km)
11	> 66kV	-	-	-
12	50kV & 66kV	-	-	-
13	33kV	123	21	144
14	SWER (all SWER voltages)	-	-	-
15	22kV (other than SWER)	112	12	124
16	6.6kV to 11kV (inclusive - other than SWER)	1,784	215	1,999
17	Low Voltage (< 1kV)	530	559	1,089
18	Total circuit length (for Supply)	2,549	807	3,356
19				to MP2
20	Dedicated Street Lighting Circuit Length	-	-	-
21				
22	Overhead Circuit Length by Terrain (at year end)	(km)	(%)	
23	Urban (only)	197	8%	
24	Rural (only)	2,165	85%	
25	Remote (only)	71	3%	
26	Rugged (only)	-	0%	
27	Rural & rugged (only)	111	4%	
28	Remote & rugged (only)	6	0%	
29	Unallocated overhead lines	-	0%	
30	Total overhead length	2,549	100%	
31		Error (Row19)		
32				
33	Transformer capacity (at year end)			Previous Year
34	Distribution Transformer Capacity (EDB Owned)	355	MVA	348
35	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	35	MVA	35
36	Total Distribution Transformer Capacity	390	MVA (to MP2)	383
37				
38	Zone Substation Transformer Capacity	289	MVA	289
39				
40	System Fixed Assets age (at year end)			
41	Average Age of System Fixed Assets	32	Years	
42	Average Expected Total Life of System Fixed Assets	53	Years	
43	Average Age as a Proportion of Average Expected Total Life	60%	%	
44				
45	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	10%	%	
46				
47				
48				
49				
50				
51	Electricity demand	Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)	
52	GXP Demand	146	150	
53	<i>plus</i> Embedded Generation Output at HV and Above	0		
54	Maximum System Demand	146		
55	<i>less</i> Net Transfers to (from) Other EDBs at HV and Above	33		
56	Demand on system for supply to customers' Connection Points	114		
57	<i>less</i> Subtransmission Customers' Connection Point Demand	21	24	
58	Maximum Distribution Transformer Demand	92		
59				to MP2
60				
61	GXP Demand not Supplied at Subtransmission Level	-		
62	Embedded Generation Output - Connected to Subtransmission System	-		
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-		
64				
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	20		
66				
67	Five-Year System Maximum Demand Growth Forecast	2.2	% p.a.	
68				
69	Electricity volumes carried	(GWh)		
70	Electricity Supplied from GXPs	761		
71	<i>less</i> Electricity Exports to GXPs	-		
72	<i>plus</i> Electricity Supplied from Embedded Generators	6		
73	<i>less</i> Net Electricity Supplied to (from) Other EDBs	152		
74	Electricity entering system for supply to customers' Connection Points	615		
75	<i>less</i> Electricity Supplied to Customers' Connection Points	580		
76	Electricity Losses (loss ratio)	35	5.7%	
77				to MP2
78	Electricity Supplied to Customers' Connection Points	580		
79	<i>less</i> Electricity Supplied to Largest 5 Connection Points	146		
80	Electricity supplied other than to Largest 5 Connection Points	434	75%	
81				
82	Load Factor	62%	%	
83				
84	Number of Connection Points (at year end)	36,679	ICPs	to MP2
85				
86	Intensity of service requirements			
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	27	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)	15,810	kWh/ICP	

REPORT MP2: PERFORMANCE MEASURES

Electricity Distribution Business: **Network Tasman**
 For Year Ended: **2011**

Performance comparators

	Previous Years:			Current Financial Year		
	Current Yr - 3	Current Yr - 2	Current Yr - 1			
Operational expenditure ratio						
	Total Operational Expenditure	7	8	7	8	\$m from FS1
	Replacement Cost of System Fixed Assets (at year end*)	277	290	300	319	\$m from AV3
	Ratio (%)	2.36%	2.92%	2.47%	2.51%	%
Capital expenditure ratio						
	Total Capital Expenditure on System Fixed Assets	4	3	4	6	\$m from FS2
	Replacement Cost of System Fixed Assets (at year end*)	277	290	300	319	\$m from AV3
	Ratio (%)	1.50%	1.20%	1.30%	1.83%	%
Capital expenditure growth ratio						
	Capital Expenditure: Customer Connection and System Growth	4	3	1	2	\$m from FS2
	Change in Total Distribution Transformer Capacity	11	6	38	7	MVA from MP1
	\$/kVA	385	575	35	304	\$/kVA
Renewal expenditure ratio						
	Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal	-	-	3	4	\$m from FS1 & 2
	Regulatory Depreciation of System Fixed Assets	5	6	6	7	\$m from AV1
	Ratio (%)	0%	0%	45%	49%	%
Distribution Transformer Capacity Utilisation						
	Maximum Distribution Transformer Demand	94	97	96	92	MW from MP1
	Total Distribution Transformer Capacity (at year end*)	340	346	383	390	kVA from MP1
	Ratio (%)	27.7%	28.0%	24.9%	23.6%	%
Return on Investment						
	Regulatory Profit / Loss (pre-financing and distributions)	14	15	14	18	\$m from FS1
	less Interest Tax Shield Adjustment	1	1	1	1	\$m from FS3
	Adjusted Regulatory Profit	13	14	13	17	\$m
	Regulatory Investment Value	139	145	149	153	\$m from FS2
	Ratio (%)	9.29%	9.48%	8.64%	10.89%	%

* 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	1,820	11	41,806	166	17,203	from FS2 & MP1
Operational Expenditure (\$) per	2,385	14	54,785	218	22,543	from FS1 & MP1

REPORT MP3: PRICE & QUALITY MEASURES
 (Separate report required for each Non-contiguous Network)

Electricity Distribution Business: **Network Tasman**
 For Year Ended: **2011**

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

QUALITY

Interruptions

Interruptions by class

Class A	3	planned interruptions by Transpower
Class B	214	planned interruptions on the network
Class C	162	unplanned interruptions on the network
Class D	3	unplanned interruptions by Transpower
Class E	-	unplanned interruptions of network owned generation
Class F	-	unplanned interruptions of generation (non-network)
Class G	-	unplanned interruptions caused by other electricity industry participant
Class H	-	planned interruptions caused by other electricity industry participant
Total	382	Total of above

Interruption targets for Forecast Year

2012	Current Financial Year +1
200	planned interruptions on the network
100	unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

2012-2016	Current Financial Year +1 to +5
200	planned interruptions on the network
100	unplanned interruptions on the network

Class C interruptions restored within

≤3Hrs	>3hrs
128	34

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	7.15	in year	2011
The total number of faults forecast for the Forecast Year	4.40	in year	2012
The average annual number of faults forecast for the 5 Forecast Years	4.40	average over years	2012-2016

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
	Yes	No	Yes	No	Yes	No	No
Is this voltage part of the EDB system?							
Current Financial Year	7.90	-	-	-	2.77	-	-
Forecast Year	4.90	-	-	-	1.40	-	-
Average annual for 5 Forecast Years	4.90	-	-	-	1.40	-	-

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
	Underground	Overhead	Underground	Overhead	Underground	Overhead	Underground
Underground	6.05	-	-	-	4.76	-	-
Overhead	8.13	-	-	-	2.44	-	-

Reliability

Overall reliability

Based on the total number of interruptions	SAIDI	SAIFI	CAIDI
	236.57	1.91	123.85

Reliability by interruption class

Class B	SAIDI	SAIFI	CAIDI
Class C	129.87	1.37	94.79

Targets for Forecast Year

Class B	SAIDI	SAIFI	CAIDI
Class C	40.00	0.29	138.00
	75.00	1.07	70.00

Average targets for 5 Forecast Years

Class B	SAIDI	SAIFI	CAIDI
Class C	40.00	0.29	138.00
	75.00	1.07	70.00

PRICES

Price information by Connection Point Class

	Connection Point Class				Total
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	
Gross line charge income (\$000)	18,508	5,047	7,567	2,441	33,564
Electricity Supplied to Customers' Connection Points (MWh)	245,800	55,518	132,804	145,789	579,912
Number of Connection Points (ICPs) at year end	34,700	1,571	403	5	36,679
Unit Price (cents/kWh)	7.5	9.1	5.7	1.7	5.8
Relative Unit Price Index	1.00	1.21	0.76	0.22	0.77

Network Tasman (NTL) incurs Transpower transmission charges on behalf of Nelson Electricity (NEL) and passes these costs on to NEL. The Information Disclosure Handbook defines Transmission Charges as including all payments made to Transpower. Inclusion of transmission pass-through costs requires all pass-through revenue to also be included in calculating Net Line Revenue received (FS1).
 However, the transmission pass-through revenue for NEL has been excluded from the MP3 calculation as NEL is not a "connection point" as defined in the Information Disclosure Handbook. Inclusion in MP3 would also have resulted in a distortion in the calculation of the unit price (cents/kWh) for the 5 largest "connection points" below.

← Error (FS1)
 Error (MP1)
 from MP1

REPORT MP3: PRICE AND QUALITY (cont)

Notes to Price and Quality Measures

89	MP3a: Connection Point Class breakpoints	
90		
91	Connection Point Class breakpoints methodology	kVA based breakpoints
92		
93	kVA based breakpoints - additional disclosure	
94	Breakpoint between small and medium classes	20 kVA
95	Breakpoint between large and medium classes	70 kVA
96		

REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

Electricity Distribution Business: **Network Tasman**
 For Year Ended **2011**
 (\$000)

A) Five year forecasts of expenditure

From most recent Asset Management Plan

for year ended	Actual for Current Financial Year	Forecast Years				
	2011	year 1	year 2	year 3	year 4	year 5
Capital Expenditure: Customer Connection	826	1,041	1,041	1,041	1,041	1,041
Capital Expenditure: System Growth	1,302	2,076	2,356	2,616	1,596	1,846
Capital Expenditure: Reliability, Safety and Environment	323	2,710	1,627	55	30	30
Capital Expenditure: Asset Replacement and Renewal	1,832	1,334	860	1,298	712	839
Capital Expenditure: Asset Relocations	1,543	-	800	2,000	1,300	1,210
Subtotal - Capital Expenditure on asset management	5,825	7,161	6,684	7,010	4,679	4,966
Operational Expenditure: Routine and Preventative Maintenance	1,535	1,452	1,452	1,422	1,422	1,422
Operational Expenditure: Refurbishment and Renewal Maintenance	1,724	2,003	2,003	2,003	2,003	2,003
Operational Expenditure: Fault and Emergency Maintenance	568	553	553	561	568	576
Subtotal - Operational Expenditure on asset management	3,828	4,008	4,008	3,985	3,993	4,001
Total direct expenditure on distribution network	9,653	11,169	10,692	10,995	8,672	8,967
Overhead to Underground Conversion Expenditure	1,512	-	800	1,000	1,300	1,210

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	826	1,051	-21.4%	from row 10
Capital Expenditure: System Growth	1,302	4,441	-70.7%	from row 11
Capital Expenditure: Reliability, Safety and Environment	323	925	-65.1%	from row 12
Capital Expenditure: Asset Replacement and Renewal	1,832	1,497	22.4%	from row 13
Capital Expenditure: Asset Relocations	1,543	500	208.5%	from row 14
Subtotal - Capital Expenditure on asset management	5,825	8,413	-30.8%	
Operational Expenditure: Routine and Preventative Maintenance	1,535	1,387	10.7%	from row 17
Operational Expenditure: Refurbishment and Renewal Maintenance	1,724	2,072	-16.8%	from row 18
Operational Expenditure: Fault and Emergency Maintenance	568	461	23.3%	from row 19
Subtotal - Operational Expenditure on asset management	3,828	3,920	-2.3%	
Total direct expenditure on distribution network	9,653	12,333	-21.7%	

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): Growth outturn for the year subdued due to economic conditions. This resulted in reduced new consumer connections and in deferral of some major capital projects. Major underground conversion project completed during the year not fully budgetted in previous AMP. Higher number of faults caused higher expenditure on emergency maintenance - mainly unexpected switchgear failure.

Efficiency Performance Measures

	2011	2010	2009	2008	2007	2006
(a)	\$	\$	\$	\$	\$	\$
	1,688	1,565	1,846	1,371	1,365	1,308
(b)	67	63	66	57	50	50

Two large
exceptional weather
events