

# Commerce Commission

## Template Electricity Distribution (Information Disclosure) Requirements Report Schedules Schedules 2 to 13

2010 TEMPLATE

Version 1.0 Template

17 March 2010

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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.

<b><u>Step</u></b>	<b><u>Guideline</u></b>	<b><u>Reference</u></b>
<b>Step 1 - Company Name and Dates</b>		
	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
<b>Step 2 - Asset Valuation Information</b>		
	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

<b>Step</b>	<b>Guideline</b>	<b>Reference</b>
<b>Step 3 - Financial Statements Information</b>		
	Enter the financial statement information into reports FS1, FS2 and FS3. Points to note:	FS1 FS2 FS3
	Discretionary Discounts and Customer Rebates on line 9 of FS1 is automatically populated once FS1a is complete.	FS1
	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. The Standard Cost of Debt Assumption is determined as outlined in the definitions included in Schedule 1 of the Requirements.	FS2 FS3
	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
<b>Step 4 - Measurement Performance Information</b>		
	Enter the measurement performance information into reports MP1, MP2 and MP3. Points to note:	MP1 MP2 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.	MP1 MP3
	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
<b>Step 5 - Asset Management Information</b>		
	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	
				For Year Ended
				2010
5				
6	<b>Income</b>			
7				<b>(\$000)</b>
8	Net Line Charge Revenue Received		29,390	
9	plus Discretionary Discounts and Customer Rebates		6,081	FS1a
10	<b>Gross Line Charge Income</b>		<b>35,470</b>	
11				
12				
13	Capital Contributions		171	
14	plus Net Value of Vested Assets		1,384	
15	<b>Total Capital Contributions and Vested Assets</b>		<b>1,555</b>	
16				
17	AC Loss Rental Rebates Received		774	
18	less AC Loss Rental Rebates Passed On		269	
19	<b>Net AC loss rental income (deficit)</b>		<b>505</b>	
20				
21				
22	<b>Other Income</b>		<b>278</b>	
23			<b>278</b>	
24				
25	<b>Total regulatory income</b>		<b>37,809</b>	
26				
27				
28	<b>Expenses</b>			
29				
30	Transmission Charges - Payments to Transpower		12,369	
31	plus Avoided Transmission Charges - payments to parties other than Transpower		-	
32	<b>Total Transmission Costs</b>		<b>12,369</b>	
33				
34	<b>Operational Expenditure:</b>			
35	General Management, Administration and Overheads		2,387	
36	System Management and Operations		1,505	
37	Routine and Preventative Maintenance		1,402	to AM1
38	Refurbishment and Renewal Maintenance		1,426	to AM1
39	Fault and Emergency Maintenance		539	to AM1
40	Pass-through Costs		171	
41	Other		-	
42	<b>Total Operational Expenditure</b>		<b>7,430</b>	to MP2
43				
44				
45	<b>Operational earnings</b>		<b>18,010</b>	
46				
47				
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)		5,744	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)		318	from AV1
50	<b>Total Regulatory Depreciation</b>		<b>6,062</b>	to FS3
51				
52				
53	<b>Earnings before interest and tax (EBIT)</b>		<b>11,948</b>	to FS3
54				
55	less Regulatory Tax Allowance		926	from FS3
56				
57	plus Indexed Revaluation (of System Fixed Assets)		2,881	from AV1
58	plus Revaluations of Non-System Fixed Assets		-	from AV1
59				
60	<b>Regulatory profit / loss (pre-financing and distributions)</b>		<b>13,903</b>	to MP2

**REPORT FS1: REGULATORY PROFIT STATEMENT (cont)**

**Notes to Regulatory Profit Statement**

69	<b>FS1a: Discretionary Discounts: Customer Rebates and other line charge adjustments</b>		<b>(\$000)</b>
70	Customer Rebates	-	
71	Line Charge Holidays and other Discretionary Discounts	6,081	
72	<b>Total Discretionary Discounts and Customer Rebates</b>		<b>6,081</b>

75	<b>FS1b: Related party expenditure - summary</b>		<b>(\$000)</b>
76	Avoided Transmission Charges	299	
77	Operational Expenditure	-	
78	Subvention Payment	-	
79	Other related party expenditure	-	
80	<b>Total Related Party Expenditure</b>		<b>299</b>

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

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

106	<b>FS1d: Vested Assets</b>		<b>(\$000)</b>
107	Consideration Paid for Vested Assets		178

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

to be repeated as required for multiple reclassifications

**Information Disclosure 2010 - Network Tasman Limited**  
**Additional Disclosure - FSC1 c Operational Expenditure Notes**

	Expenditure as per FS1	Materiality Threshold (10%)	Material Item Disclosure (000's)
<b><u>General Management, Administration and Overheads</u></b>	<b>2,386.75</b>	<b>238.7</b>	
Salaries			1,147
IT Consultancy Fees & Licenses			292
<b><u>System Management and Operations</u></b>	<b>1,504.90</b>	<b>150.5</b>	
Salaries			965
Management Fee			244
<b><u>Routine and Preventative Maintenance</u></b>	<b>1,402.08</b>	<b>140.2</b>	
Tree Cutting			317
Line Corridors			216
Tree Regulations Removals			349
<b><u>Refurbishment and Renewal Maintenance</u></b>	<b>1,425.61</b>	<b>142.6</b>	
Pole Replacements			1,088
<b><u>Fault and Emergency Maintenance</u></b>	<b>539.21</b>	<b>53.9</b>	
Fault Service Net of Recoveries			431
Emergency Maintenance			99
<b><u>Pass-through Costs</u></b>	<b>171.00</b>	<b>17.1</b>	
Electricity Commission Levies			70
Commerce Commission Levies			77
Rates			24
<b>Other</b>	<b>-</b>	<b>-</b>	<b>-</b>

## REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Network Tasman Limited	
5		For Year Ended	2010
6			
7	<b>Capital Expenditure on System Fixed Assets (by primary purpose)</b>		<b>(\$000)</b>
8	Customer Connection	986	to AM1
9	System Growth	339	to AM1
10	Reliability, Safety and Environment	439	to AM1
11	Asset Replacement and Renewal	1,138	to AM1
12	Asset Relocations	994	to AM1
13	<b>Total Capital Expenditure on System Fixed Assets</b>	<b>3,897</b>	to AM1
14			
15			
16	<b>Capital Expenditure on Non-System Fixed Assets</b>	<b>194</b>	from AV1
17			
18			
19	<b>Capital works roll-forward (for System Fixed Assets)</b>		
20	Works Under Construction at Beginning of Year	924	
21	plus Total Capital Expenditure on System Fixed Assets	3,897	
22	less Assets Commissioned in Year	4,229	from AV1
23	<b>Works under construction at year end</b>	<b>591</b>	
24			
25			
26	<b>Regulatory Investment Value calculation</b>		
27	System Fixed Assets: regulatory value at end of Previous Year	140,786	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	2,963	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	3,449	2.45%
30	<b>Total Regulatory Asset Base value at beginning of Current Financial Year</b>	<b>147,198</b>	
31			
32	plus System Fixed Assets Commissioned in Year	4,229	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	194	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	4,424	
36	<b>Regulatory Asset Base investment in Current Financial Year - average</b>	<b>2,212</b>	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	<b>Adjustment for merger, acquisition or sale to another EDB</b>	<b>-</b>	from AV4
40			
41	<b>Regulatory Investment Value</b>	<b>149,410</b>	to MP2



**REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION**

		Electricity Distribution Business:	<b>Network Tasman</b>	
			For Year Ended	<b>2010</b>
5				
6				
7			<b>(\$000)</b>	
8		<b>Earnings before interest and tax (EBIT)</b>	11,948	from FS1
9				
10	<i>add</i>	Total Regulatory Depreciation	6,062	from FS1
11		Other Permanent Differences - not deductible	14	
12		Other Temporary Adjustments - Current Period	(120)	
13			5,956	
15	<i>less</i>	Non Taxable Capital Contributions and Vested Assets	1,562	
16		Tax Depreciation	3,875	
17		Deductible Discretionary Discounts and Customer Rebates	6,081	
18		Deductible Interest	3,299	from row 53
19		Other Permanent Differences - Non Taxable	-	
20		Other Temporary Adjustments - Prior Period	-	
21			14,817	
22				
23		<b>Regulatory taxable income for Year</b>	<b>3,087</b>	
24				
25	<i>less</i>	Tax Losses Available at Start of Year	-	
26		<b>Net taxable income</b>	<b>3,087</b>	
27				
28		Statutory Tax Rate	30%	
29		<b>Regulatory Tax Allowance</b>	<b>926</b>	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)**

49	Standard Debt Leverage Assumption (debt/total assets)	40%	%	
51	Standard Cost of Debt Assumption	5.52%	%	
53	Deductible Interest	3,299	\$000	to row 18
55	Interest Tax Shield Adjustment	990	\$000	to MP2



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

Electricity Distribution Business: **Network Tasman**  
 For Year Ended: **2010**

ref	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)	
11	<b>System Fixed Assets</b>								
12	Regulatory Value of System Fixed Assets (as per most recent ODV)								
13	5,768	9,689	24,144	39,528	16,895	6,893	5,174	108,091	Error (AV1)
14	<b>Cumulative roll-forward since most recent ODV:</b>								
15	Asset Additions							44,691	from AV1
16	Indexed Revaluation (of System Fixed Assets)							21,256	from AV1
17	less Regulatory Depreciation (of System Fixed Assets)							30,325	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	<b>Regulatory Value of System Fixed Assets at Year End</b>							<b>143,713</b>	Error(AV1)
21									

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

ref		Electricity Distribution Business:	Network Tasman	
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For Year Ended: 2010

**System Fixed Assets - Replacement Cost**

**(\$000)**

Replacement cost at end of previous year	289,998	
Asset Additions	5,791	AV3a
Indexed Revaluation (of System Fixed Assets)	5,935	
less Replacement Cost of Assets Decommissioned	1,328	
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	from AV4
Net Increase (Decrease) Due to Changes in Asset Register Information	-	
<b>Replacement cost of System Fixed Assets at year end</b>	<b>300,396</b>	

**System Fixed Assets - Depreciated Replacement Cost**

Depreciated Replacement Cost at end of previous year	148,019	
Asset Additions	5,791	AV3a
Indexed Revaluation (of System Fixed Assets)	3,029	
less Depreciation of Replacement Cost	5,548	
less Depreciated Replacement Cost of Assets Decommissioned	196	
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	from AV4
Net Increase (Decrease) Due to Changes in Asset Register Information	-	
<b>Depreciated replacement cost of System Fixed Assets at year end</b>	<b>151,095</b>	

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

36				
37				
38				
39				
40				
41				
42				

**AV3a: New Asset Additions**

Asset Additions - Depreciated Replacement Cost	5,791	from AV1
plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	-	
<b>Asset Additions - Replacement Cost</b>	<b>5,791</b>	

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

Electricity Distribution Business: Network Tasman Limited

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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 transformers	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
Replacement Cost (RC)								-
less Depreciation								-
<b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
less Optimisation adjustment								-
<b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
less Economic Value Adjustment (EVA)								-
<b>Most recent ODV value</b>	-	-	-	-	-	-	-	-

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

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

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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								-
<b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
less Optimisation adjustment								-
<b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
less Economic Value Adjustment (EVA)								-
<b>Most recent ODV Value</b>	-	-	-	-	-	-	-	-

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

**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 Limited

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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								
<b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	
less Optimisation adjustment								
<b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	
less Economic Value Adjustment (EVA)								
<b>Most recent ODV Value</b>	-	-	-	-	-	-	-	

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

**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: 2010
7	Network Name:	Network Tasman <small>(enter "Total Business" or name of network)</small>
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>	
11		<b>Overhead (km)      Underground (km)      Total (km)</b>
12	> 66kV	-      -      -
13	50kV & 66kV	-      -      -
14	33kV	123      21      144
15	SWER (all SWER voltages)	-      -      -
16	22kV (other than SWER)	91      13      104
17	6.6kV to 11kV (inclusive - other than SWER)	1,811      208      2,019
18	Low Voltage (< 1kV)	538      543      1,081
19	<b>Total circuit length (for Supply)</b>	<b>2,563      785      3,348</b> <span style="float:right">to MP2</span>
20		
21	<b>Dedicated Street Lighting Circuit Length</b>	-      -      -
22		
23	<b>Overhead Circuit Length by Terrain (at year end)</b>	<b>(km)      (%)</b>
24	Urban (only)	201      8%
25	Rural (only)	2,173      85%
26	Remote (only)	71      3%
27	Rugged (only)	-      0%
28	Rural & rugged (only)	112      4%
29	Remote & rugged (only)	6      0%
30	Unallocated overhead lines	-      0%
31	<b>Total overhead length</b>	<b>2,563      100%</b>
32		<small>Error (Row19)</small>
33		
34	<b>Transformer capacity (at year end)</b>	
35	Distribution Transformer Capacity (EDB Owned)	348 MVA <span style="float:right">Previous Year</span>
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	35 MVA <span style="float:right">341</span>
37	<b>Total Distribution Transformer Capacity</b>	<b>383 MVA (to MP2)</b> <span style="float:right">5</span>
38		
39	Zone Substation Transformer Capacity	289 MVA <span style="float:right">346</span>
40		
41	<b>System Fixed Assets age (at year end)</b>	
42	Average Age of System Fixed Assets	32 Years
43	Average Expected Total Life of System Fixed Assets	53 Years
44	Average Age as a Proportion of Average Expected Total Life	60% %
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	10% %
47		
48		
49		
50		
51	<b>Electricity demand</b>	
52		<b>Maximum coincident system demand (MW)      Non-coincident Sum of maximum demands (MW)</b>
53	<b>GXP Demand</b>	146      149
54	plus Embedded Generation Output at HV and Above	1
55	<b>Maximum System Demand</b>	146
56	less Net Transfers to (from) Other EDBs at HV and Above	29
57	<b>Demand on system for supply to customers' Connection Points</b>	117
58	less Subtransmission Customers' Connection Point Demand	21      24
59	<b>Maximum Distribution Transformer Demand</b>	96 <span style="float:right">to MP2</span>
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	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	20
66		
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	2.2 % p.a.
68		
69	<b>Electricity volumes carried</b>	<b>(GWh)</b>
70	Electricity Supplied from GXPs	764
71	less Electricity Exports to GXPs	-
72	plus Electricity Supplied from Embedded Generators	5
73	less Net Electricity Supplied to (from) Other EDBs	156
74	<b>Electricity entering system for supply to customers' Connection Points</b>	614
75	less Electricity Supplied to Customers' Connection Points	579 <span style="float:right">to MP2</span>
76	<b>Electricity Losses (loss ratio)</b>	35      5.6% %
77		
78	Electricity Supplied to Customers' Connection Points	579
79	less Electricity Supplied to Largest 5 Connection Points	142
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	437      75% %
81		
82	<b>Load Factor</b>	60% %
83		
84	<b>Number of Connection Points (at year end)</b>	36,219 ICPs <span style="float:right">to MP2</span>
85		
86	<b>Intensity of service requirements</b>	
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)	15,986	kWh/ICP

## REPORT MP2: PERFORMANCE MEASURES

ref	Electricity Distribution Business: <b>Network Tasman Limited</b>					
					For Year Ended: <b>2010</b>	
5	<b>Performance comparators</b>					
6						
7						
8	<b>Previous Years:</b>				<b>Current Financial Year</b>	
9	<b>Operational expenditure ratio</b>	<b>Current Yr - 3</b>	<b>Current Yr - 2</b>	<b>Current Yr - 1</b>		
10	Total Operational Expenditure		7	8	7	\$m from FS1
11	Replacement Cost of System Fixed Assets (at year end*)		277	290	300	\$m from AV3
12	<b>Ratio (%)</b>	Not defined	2.36%	2.92%	<b>2.47%</b>	%
13	<b>Capital expenditure ratio</b>					
14	Total Capital Expenditure on System Fixed Assets		4	3	4	\$m from FS2
15	Replacement Cost of System Fixed Assets (at year end*)		277	290	300	\$m from AV3
16	<b>Ratio (%)</b>	Not defined	1.50%	1.20%	<b>1.30%</b>	%
17	<b>Capital expenditure growth ratio</b>					
18	Capital Expenditure: Customer Connection and System Growth		4	3	1	\$m from FS2
19	Change in Total Distribution Transformer Capacity		11	6	38	MVA from MP1
20	<b>\$/kVA</b>	Not defined	385	575	<b>35</b>	\$/kVA
21	<b>Renewal expenditure ratio</b>					
22	Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal		-	-	3	\$m from FS1 & 2
23	Regulatory Depreciation of System Fixed Assets		5	6	6	\$m from AV1
24	<b>Ratio (%)</b>	Not defined	0%	0%	<b>45%</b>	%
25	<b>Distribution Transformer Capacity Utilisation</b>					
26	Maximum Distribution Transformer Demand	88	94	97	96	MW from MP1
27	Total Distribution Transformer Capacity (at year end*)	330	340	346	383	kVA from MP1
28	<b>Ratio (%)</b>	26.8%	27.7%	28.0%	<b>24.9%</b>	%
29	<b>Return on Investment</b>					
30	Regulatory Profit / Loss (pre-financing and distributions)		14	15	14	\$m from FS1
31	less Interest Tax Shield Adjustment		1	1	1	\$m from FS3
32	Adjusted Regulatory Profit	-	13	14	13	\$m
33	Regulatory Investment Value		139	145	149	\$m from FS2
34	<b>Ratio (%)</b>	Not defined	9.29%	9.48%	<b>8.64%</b>	%
35	* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.					
36	<b>Expenditure comparison table</b>					
37	<b>Expenditure metrics (\$ per):</b>					
38		<b>Electricity Supplied to Customers' Connection Points (\$/MWh)</b>	<b>Maximum coincident system demand (\$/MW)</b>	<b>Connection Point (\$/ICP)</b>	<b>Distribution Transformer Capacity (EDB-Owned) (\$/MVA)</b>	
39	<b>Total circuit length (for Supply) (\$/km)</b>					
40	Capital Expenditure (\$ per)	1,222	7	27,983	113	11,742 from FS2 & MP1
41	Operational Expenditure (\$ per)	2,219	13	50,819	205	21,324 from FS1 & MP1

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

ref	Electricity Distribution Business: <b>Network Tasman</b>						
6	For Year Ended: <b>2010</b>						
7	Network Name: <b>Network Tasman</b>						
9	Disclosure: <b>Annual Disclosure - Requirement 6(1)</b>						
10	<b>QUALITY</b>						
11	<b>Interruptions</b>						
12	<b>Interruptions by class</b>						
13	Class A	- planned interruptions by Transpower:					
14	Class B	208 planned interruptions on the network					
15	Class C	138 unplanned interruptions on the network					
16	Class D	6 unplanned interruptions by Transpower					
17	Class E	- unplanned interruptions of network owned generation					
18	Class F	- unplanned interruptions of generation (non-network)					
19	Class G	- unplanned interruptions caused by other electricity industry participant					
20	Class H	- planned interruptions caused by other electricity industry participant					
21	<b>Total</b>	<b>352 Total of above</b>					
22	<b>Interruption targets for Forecast Year</b>						
23	Class B	2011 200 Current Financial Year +1 planned interruptions on the network					
24	Class C	100 Current Financial Year +1 unplanned interruptions on the network					
25	<b>Average interruption targets for 5 Forecast Years</b>						
26	Class B	2011-2015 200 Current Financial Year +1 to +5 planned interruptions on the network					
27	Class C	100 Current Financial Year +1 to +5 unplanned interruptions on the network					
28	<b>Class C interruptions restored within</b>						
29	≤3Hrs	>3hrs					
30	107	31					
31	<b>Faults</b>						
32	<b>Faults per 100 circuit kilometres</b>						
33	The total number of faults for Current Financial Year	6.09 in year 2010					
34	The total number of faults forecast for the Forecast Year	4.41 in year 2011					
35	The average annual number of faults forecast for the 5 Forecast Years	4.41 average over years 2011-2015					
36	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>						
37	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV	
38	Is this voltage part of the EDB system?	Yes	Yes	No	Yes	No	No
39	Current Financial Year	6.70	-	-	2.78	-	-
40	Forecast Year	4.90	-	-	1.40	-	-
41	Average annual for 5 Forecast Years	4.90	-	-	1.40	-	-
42	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>						
43	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV	
44	Underground	6.25	-	-	3.25	-	
45	Overhead	6.76	-	-	3.25	-	
46	<b>Reliability</b>						
47	<b>Overall reliability</b>						
48	Based on the total number of interruptions	SAIDI 226.39 SAIFI 2.59 CAIDI 87.40					
49	<b>Reliability by interruption class</b>						
50	Class B	SAIDI 61.88 SAIFI 0.28 CAIDI 221.00					
51	Class C	SAIDI 86.42 SAIFI 1.48 CAIDI 58.39					
52	<b>Targets for Forecast Year</b>						
53	Class B	SAIDI 40.00 SAIFI 0.29 CAIDI 138.00					
54	Class C	SAIDI 77.00 SAIFI 1.10 CAIDI 70.00					
55	<b>Average targets for 5 Forecast Years</b>						
56	Class B	SAIDI 40.00 SAIFI 0.29 CAIDI 138.00					
57	Class C	SAIDI 75.00 SAIFI 1.07 CAIDI 70.00					
58	<b>PRICES</b>						
59	<b>Price information by Connection Point Class</b>						
60	<b>Connection Point Class</b>						
61		Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	Total	
62	Gross line charge income (\$000)	18,425	4,768	7,380	2,421	32,993	
63	Electricity Supplied to Customers' Connection Points (MWh)	254,095	53,926	128,237	142,477	578,735	
64	Number of Connection Points (ICPs) at year end	34,413	1,542	259	5	36,219	
65	Unit Price (cents/kWh)	7.3	8.8	5.8	1.7	5.7	
66	Relative Unit Price Index	1.00	1.22	0.79	0.23	0.79	

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

**Notes to Price and Quality Measures**

89	<b>MP3a: Connection Point Class breakpoints</b>	
90		
91	<b>Connection Point Class breakpoints methodology</b>	kVA based breakpoints
92		
93	<b>kVA based breakpoints - additional disclosure</b>	
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 **2010**  
 (\$000)

**A) Five year forecasts of expenditure**  
 From most recent Asset Management Plan

for year ended	Actual for Current Financial Year	Forecast Years				
	2010	2011	2012	2013	2014	2015
Capital Expenditure: Customer Connection	986	1,051	1,051	1,051	1,051	1,051
Capital Expenditure: System Growth	339	4,441	3,902	3,727	1,997	3,097
Capital Expenditure: Reliability, Safety and Environment	439	925	970	60	30	30
Capital Expenditure: Asset Replacement and Renewal	1,138	1,497	880	660	585	1,110
Capital Expenditure: Asset Relocations	994	500	500	500	1,500	500
<b>Subtotal - Capital Expenditure on asset management</b>	<b>3,897</b>	<b>8,413</b>	<b>7,302</b>	<b>5,997</b>	<b>5,162</b>	<b>5,787</b>
Operational Expenditure: Routine and Preventative Maintenance	1,402	1,387	1,413	1,343	1,343	1,343
Operational Expenditure: Refurbishment and Renewal Maintenance	1,426	2,072	2,144	1,971	1,971	1,971
Operational Expenditure: Fault and Emergency Maintenance	539	461	528	528	528	528
<b>Subtotal - Operational Expenditure on asset management</b>	<b>3,367</b>	<b>3,920</b>	<b>4,085</b>	<b>3,843</b>	<b>3,843</b>	<b>3,843</b>
<b>Total direct expenditure on distribution network</b>	<b>7,263</b>	<b>12,333</b>	<b>11,387</b>	<b>9,840</b>	<b>9,005</b>	<b>9,630</b>
<b>Overhead to Underground Conversion Expenditure</b>	<b>896</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>

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

**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	986	525	87.7%
Capital Expenditure: System Growth	339	4,008	-91.6%
Capital Expenditure: Asset Replacement and Renewal	439	1,620	-72.9%
Capital Expenditure: Reliability, Safety and Environment	1,138	725	57.0%
Capital Expenditure: Asset Relocations	994	550	80.8%
<b>Subtotal - Capital Expenditure on asset management</b>	<b>3,897</b>	<b>7,429</b>	<b>-47.5%</b>
Operational Expenditure: Routine and Preventative Maintenance	1,402	1,279	9.6%
Operational Expenditure: Refurbishment and Renewal Maintenance	1,426	1,800	-20.8%
Operational Expenditure: Fault and Emergency Maintenance	539	435	23.9%
<b>Subtotal - Operational Expenditure on asset management</b>	<b>3,367</b>	<b>3,514</b>	<b>-4.2%</b>
<b>Total direct expenditure on distribution network</b>	<b>7,263</b>	<b>10,943</b>	<b>-33.6%</b>

**Explanation of variances**

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

Explanatory notes (can be provided in a separate note if necessary): Please note that there is an error in the template provided. Capital Expenditure: Asset Replacement and Renewal and Capital Expenditure: Reliability, Safety and Environment figures have been transposed. Correcting this error gives the following result: Capital Expenditure: Asset Replacement and Renewal (1,138 against a budget of 1,620 (-30%)) and Capital Expenditure: Reliability, Safety and Environment (439 against 725 (-40%))  
 Explanation of Variances: Customers Connections - Due to subdued economic conditions we expected new connection activity to decline in 2009/10. This did not eventuate. System Growth - A small number of major capex projects were deferred due to expected peak demands not being reached. Asset Replacement and Renewal - Contractor resource issues lead to much planned work being deferred. Asset Relocations - Underground Conversion activity higher than expected. OPEX: Refurbishment and Renewal - Contractor resource limited work completed. Faults and Emergency Work - Unplanned faults higher

### Efficiency Performance Measures

	2010	2009	2008	2007	2006
	\$	\$	\$	\$	\$
(a) Direct line costs per kilometer	1,565	1,846	1,371	1,365	1,308
(b) Indirect line costs per electricity customer	63	66	57	50	50