



**Information Disclosure prepared in accordance with the  
Electricity Distribution Information Disclosure Determination 2012**

**For the Year Ended 31 March 2015**

## Contents

### 1. Current Year Schedules

Sch.No.	Description
1	Analytical Ratios
2	Report on Return on Investment
3	Report on Regulatory Profit
4	Report on Value of the Regulatory Asset Base (Rolled Forward)
5a	Report on Regulatory Tax Allowance
5b	Report on Related Party Transactions
5c	Report on Term Credit Spread Differential Allowance
5d	Report on Cost Allocations
5e	Report on Asset Allocations
6a	Report on Capital Expenditure for the Disclosure Year
6b	Report on Operational Expenditure for the Disclosure Year
7	Comparison of Forecasts to Actual Expenditure
8	Report on Billed Quantities and Line Charge Revenues (by Price Component)
9a	Asset Register
9b	Asset Age Profile
9c	Report on Overhead Lines
9d	Report on Embedded Networks
9e	Report on Demand
10	Report on Network Reliability
14	Mandatory Explanatory Notes
15	Voluntary Explanatory Notes

**2. Directors Certificate**

18      Certification for Year-end Disclosures

**3. Auditors Opinion**

## SCHEDULE 1: ANALYTICAL RATIOS

This schedule calculates expenditure, revenue and service ratios from the information disclosed. The disclosed ratios may vary for reasons that are company specific and, as a result, must be interpreted with care. The Commerce Commission will publish a summary and analysis of information disclosed in accordance with the ID determination. This will include information disclosed in accordance with this and other schedules, and information disclosed under the other requirements of the determination.

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

sch ref

### 1(i): Expenditure metrics

	Expenditure per GWh energy delivered to ICPs (\$/GWh)	Expenditure per average no. of ICPs (\$/ICP)	Expenditure per MW maximum coincident system demand (\$/MW)	Expenditure per km circuit length (\$/km)	Expenditure per MVA of capacity from EDB-owned distribution transformers (\$/MVA)
<b>Operational expenditure</b>	21,195	293	98,697	3,642	36,820
Network	7,978	110	37,150	1,371	13,859
Non-network	13,217	183	61,547	2,271	22,961
<b>Expenditure on assets</b>	52,541	726	244,665	9,029	91,276
Network	50,621	700	235,725	8,699	87,941
Non-network	1,920	27	8,940	330	3,335

### 1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
<b>Total consumer line charge revenue</b>	86,326	1,193
Standard consumer line charge revenue	95,554	1,138
Non-standard consumer line charge revenue	29,011	360,105

### 1(iii): Service intensity measures

Demand density	37	Maximum coincident system demand per km of circuit length (for supply) (kW/km)
Volume density	172	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
Connection point density	12	Average number of ICPs per km of circuit length (for supply) (ICPs/km)
Energy intensity	13,821	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)

### 1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	11,382	24.49%
Pass-through and recoverable costs excluding financial incentives and wash-ups	12,496	26.89%
Total depreciation	7,132	15.35%
Total revaluations	176	0.38%
Regulatory tax allowance	1,931	4.16%
Regulatory profit/(loss) including financial incentives and wash-ups	13,702	29.49%
<b>Total regulatory income</b>	<b>46,467</b>	

### 1(v): Reliability

Interruption rate	8.74	Interruptions per 100 circuit km
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Company Name  
For Year Ended

Counties Power Ltd  
31 March 2015

## SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).

EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).

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sch ref

### 2(i): Return on Investment

#### ROI – comparable to a post tax WACC

Reflecting all revenue earned  
Excluding revenue earned from financial incentives  
Excluding revenue earned from financial incentives and wash-ups

#### Mid-point estimate of post tax WACC

25th percentile estimate  
75th percentile estimate

#### ROI – comparable to a vanilla WACC

Reflecting all revenue earned  
Excluding revenue earned from financial incentives  
Excluding revenue earned from financial incentives and wash-ups

#### WACC rate used to set regulatory price path

#### Mid-point estimate of vanilla WACC

25th percentile estimate  
75th percentile estimate

CY-2  
31 Mar 13  
CY-1  
31 Mar 14  
Current Year CY  
31 Mar 15

%	%	%
6.77%	7.86%	5.79%
6.77%	7.86%	5.79%
6.77%	7.86%	5.79%
5.85%	5.43%	6.10%
5.13%	4.71%	5.39%
6.56%	6.14%	6.82%
7.55%	8.54%	6.58%
7.55%	8.54%	6.58%
7.55%	8.54%	6.58%
6.62%	6.11%	6.89%
5.91%	5.39%	6.17%
7.34%	6.83%	7.60%

### 2(ii): Information Supporting the ROI

(\$000)

Total opening RAB value  
plus Opening deferred tax  
**Opening RIV**  
  
Line charge revenue  
  
Expenses cash outflow  
add Assets commissioned  
less Asset disposals  
add Tax payments  
less Other regulated income  
**Mid-year net cash outflows**  
  
Term credit spread differential allowance  
  
Total closing RAB value  
less Adjustment resulting from asset allocation  
less Lost and found assets adjustment  
plus Closing deferred tax  
**Closing RIV**

210,305	
(7,600)	
	202,705
	46,359
23,878	
25,260	
360	
328	
108	
	48,999
	–
228,249	
0	
–	
(9,203)	
	219,046

#### ROI – comparable to a vanilla WACC

Leverage (%)  
Cost of debt assumption (%)  
Corporate tax rate (%)

#### ROI – comparable to a post tax WACC

6.58%  
44%  
6.36%  
28%  
5.79%

Company Name  
For Year Ended

Counties Power Ltd  
31 March 2015

## SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).

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sch ref

### 2(iii): Information Supporting the Monthly ROI

Opening RIV

N/A

	Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
April						–
May						–
June						–
July						–
August						–
September						–
October						–
November						–
December						–
January						–
February						–
March						–
<b>Total</b>	–	–	–	–	–	–

Tax payments

N/A

Term credit spread differential allowance

N/A

Closing RIV

N/A

Monthly ROI – comparable to a vanilla WACC

N/A

Monthly ROI – comparable to a post tax WACC

N/A

### 2(iv): Year-End ROI Rates for Comparison Purposes

Year-end ROI – comparable to a vanilla WACC

6.36%

Year-end ROI – comparable to a post tax WACC

5.58%

\* these year-end ROI values are comparable to the ROI reported in pre 2012 disclosures by EDBs and do not represent the Commission's current view on ROI.

### 2(v): Financial Incentives and Wash-Ups

Net recoverable costs allowed under incremental rolling incentive scheme

–

Purchased assets – avoided transmission charge

–

Energy efficiency and demand incentive allowance

–

Quality incentive adjustment

–

Other financial incentives

–

**Financial incentives**

–

**Impact of financial incentives on ROI**

–

Input methodology claw-back

–

Recoverable customised price-quality path costs

–

Catastrophic event allowance

–

Capex wash-up adjustment

–

Transmission asset wash-up adjustment

–

2013–2015 NPV wash-up allowance

–

Reconsideration event allowance

–

Other wash-ups

–

**Wash-up costs**

–

**Impact of wash-up costs on ROI**

–

Company Name

Counties Power Ltd

For Year Ended

31 March 2015

**SCHEDULE 3: REPORT ON REGULATORY PROFIT**

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

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

sch ref

**3(i): Regulatory Profit**

(\$000)

**Income**

Line charge revenue

46,359

plus Gains / (losses) on asset disposals

(321)

plus Other regulated income (other than gains / (losses) on asset disposals)

429

**Total regulatory income**

46,467

**Expenses**

less Operational expenditure

11,382

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

12,496

**Operating surplus / (deficit)**

22,590

less Total depreciation

7,132

plus Total revaluations

176

**Regulatory profit / (loss) before tax**

15,634

less Term credit spread differential allowance

-

less Regulatory tax allowance

1,931

**Regulatory profit/(loss) including financial incentives and wash-ups**

13,702

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

(\$000)

**Pass through costs**

Rates

330

Commerce Act levies

21

Industry levies

116

CPP specified pass through costs

**Recoverable costs excluding financial incentives and wash-ups**

Electricity lines service charge payable to Transpower

11,857

Transpower new investment contract charges

171

System operator services

Distributed generation allowance

Extended reserves allowance

Other recoverable costs excluding financial incentives and wash-ups

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

12,496

Company Name

Counties Power Ltd

For Year Ended

31 March 2015

**SCHEDULE 3: REPORT ON REGULATORY PROFIT**

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

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sch ref

**3(iii): Incremental Rolling Incentive Scheme**

(\$000)

Allowed controllable opex

Actual controllable opex

Incremental change in year

CY-1  
31 Mar 14CY  
31 Mar 15Previous years'  
incremental  
changePrevious years'  
incremental  
change adjusted  
for inflation

CY-5 31 Mar 10

CY-4 31 Mar 11

CY-3 31 Mar 12

CY-2 31 Mar 13

CY-1 31 Mar 14

Net incremental rolling incentive scheme

Net recoverable costs allowed under incremental rolling incentive scheme

**3(iv): Merger and Acquisition Expenditure**

(\$000)

Merger and acquisition expenditure

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

**3(v): Other Disclosures**

(\$000)

Self-insurance allowance



SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2. EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

76	4(v): Regulatory Depreciation									
77										
78										
79										
80										
81										
82										
83										
84										
85										
86										
87										
88										
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100										
101										
102										
103										
104										
105										
106										
107										
108										
109										
110										
111										

Unallocated RAB \*

(\$000)

(\$000)

(\$000)

(\$000)

6,264

941

7,205

7,132

Closing RAB value

Depreciation charge for the period (RAB)

under 'non-standard' depreciation

Closing RAB value under 'standard' depreciation

Asset or assets with changes to depreciation\*

Reason for non-standard depreciation (text entry)

\* include additional rows if needed

4(vii): Disclosure by Asset Category

(\$000 unless otherwise specified)

Subtransmission lines

Subtransmission cables

Zone substations

Distribution and LV lines

Distribution and LV cables

Distribution substations and transformers

Distribution switchgear

Other network assets

Non-network assets

Total

Total opening RAB value

less Total depreciation

plus Total revaluations

plus Assets commissioned

less Asset disposals

plus Lost and found assets adjustment

plus Adjustment resulting from asset allocation

plus Asset category transfers

Total closing RAB value

Asset Life

Weighted average remaining asset life

Weighted average expected total asset life

11,661

247

12,718

72,629

40,591

36,466

10,204

4,684

21,104

210,305

336

8

425

1,894

1,248

1,250

664

354

953

7,132

10

0

11

61

34

30

9

4

18

176

4,354

–

8,893

6,999

–

2,610

736

637

1,031

25,260

357

3

360

–

–

–

15,689

240

21,197

77,795

39,377

37,499

10,285

4,971

21,197

228,249

47.0

31.3

38.1

44.0

36.3

33.5

24.5

13.5

13.6

(years)

58.5

45.0

47.9

59.6

48.5

45.1

36.2

16.8

20.0

(years)

**SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE**

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref				
7	<b>5a(i): Regulatory Tax Allowance</b>			(£000)
8	<b>Regulatory profit / (loss) before tax</b>			15,634
9				
10	<i>plus</i>	Income not included in regulatory profit / (loss) before tax but taxable		*
11		Expenditure or loss in regulatory profit / (loss) before tax but not deductible	291	*
12		Amortisation of initial differences in asset values	2,699	
13		Amortisation of revaluations	488	
14				3,478
15				
16	<i>less</i>	Total revaluations	176	
17		Income included in regulatory profit / (loss) before tax but not taxable		*
18		Discretionary discounts and customer rebates	6,538	
19		Expenditure or loss deductible but not in regulatory profit / (loss) before tax	-	*
20		Notional deductible interest	5,500	
21				12,214
22				
23	<b>Regulatory taxable income</b>			6,897
24				
25	<i>less</i>	Utilised tax losses		
26		Regulatory net taxable income		6,897
27				
28		Corporate tax rate (%)	28%	
29	<b>Regulatory tax allowance</b>			1,931
30				
31	* Workings to be provided in Schedule 14			
32	<b>5a(ii): Disclosure of Permanent Differences</b>			
33	In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).			
34	<b>5a(iii): Amortisation of Initial Difference in Asset Values</b>			(£000)
35				
36		Opening unamortised initial differences in asset values	85,924	
37	<i>less</i>	Amortisation of initial differences in asset values	2,699	
38	<i>plus</i>	Adjustment for unamortised initial differences in assets acquired		
39	<i>less</i>	Adjustment for unamortised initial differences in assets disposed	127	
40		Closing unamortised initial differences in asset values		83,098
41				
42		Opening weighted average remaining useful life of relevant assets (years)		32
43				
44	<b>5a(iv): Amortisation of Revaluations</b>			(£000)
45				
46		Opening sum of RAB values without revaluations	196,046	
47				
48		Adjusted depreciation	6,644	
49		Total depreciation	7,132	
50		Amortisation of revaluations		488
51				
52	<b>5a(v): Reconciliation of Tax Losses</b>			(£000)
53				
54	<b>Opening tax losses</b>			
55	<i>plus</i>	Current period tax losses		
56	<i>less</i>	Utilised tax losses		
57	<b>Closing tax losses</b>			-

## SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

58	<b>5a(vi): Calculation of Deferred Tax Balance</b>		(\$000)
59			
60	Opening deferred tax	(7,600)	
61			
62	plus Tax effect of adjusted depreciation	1,860	
63			
64	less Tax effect of tax depreciation	2,738	
65			
66	plus Tax effect of other temporary differences*	11	
67			
68	less Tax effect of amortisation of initial differences in asset values	756	
69			
70	plus Deferred tax balance relating to assets acquired in the disclosure year		
71			
72	less Deferred tax balance relating to assets disposed in the disclosure year	(20)	
73			
74	plus Deferred tax cost allocation adjustment	(0)	
75			
76	Closing deferred tax		(9,203)
77			
78	<b>5a(vii): Disclosure of Temporary Differences</b>		
79	<i>In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).</i>		
80			
81	<b>5a(viii): Regulatory Tax Asset Base Roll-Forward</b>		
82			(\$000)
83	Opening sum of regulatory tax asset values	84,859	
84	less Tax depreciation	9,780	
85	plus Regulatory tax asset value of assets commissioned	25,260	
86	less Regulatory tax asset value of asset disposals	1	
87	plus Lost and found assets adjustment		
88	plus Adjustment resulting from asset allocation		
89	plus Other adjustments to the RAB tax value		
90	Closing sum of regulatory tax asset values		100,338

Company Name

Counties Power Ltd

For Year Ended

31 March 2015

**SCHEDULE 5b: REPORT ON RELATED PARTY TRANSACTIONS**

This schedule provides information on the valuation of related party transactions, in accordance with section 2.3.6 and 2.3.7 of the ID determination.

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

sch ref

**5b(i): Summary—Related Party Transactions**

(\$000)

Total regulatory income  
Operational expenditure  
Capital expenditure  
Market value of asset disposals  
Other related party transactions

3,182
8,835

**5b(ii): Entities Involved in Related Party Transactions**

Name of related party

Related party relationship

Counties Power Limited - Construction Department

Part of Counties Power run as a separate department and accounted for separately.
Performs faults, proactive maintenance and construction services on the Network asset.

\* include additional rows if needed

**5b(iii): Related Party Transactions**

Name of related party	Related party transaction type	Description of transaction	Value of transaction (\$000)	Basis for determining value
Counties Power Limited - Construction Department	Opex	Faults and Reactive	1,376	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Opex	Tree Maintenance	1,046	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Opex	Transformer Maintenance	88	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Opex	Distribution OH Maintenance	341	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Opex	Substation Maintenance	238	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Opex	Distribution UG Maintenance	73	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Opex	Subtransmission Maintenance	20	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Opex	System Automation & Comms	–	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Capex	Subtransmission Capital	1,744	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Capex	Construction Lines & Cable	4,220	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Capex	Construction Low Voltage Reticulation	1,130	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Capex	Substations	1,237	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Capex	Transformers	491	ID clause 2.3.6(1)(b)
Counties Power Limited - Construction Department	Capex	System Automation & Comms	12	ID clause 2.3.6(1)(b)
	[Select one]			[Select one]

\* include additional rows if needed

## SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

This schedule is only to be completed if, as at the date of the most recently published financial statements, the weighted average original tenor of the debt portfolio (both qualifying debt and non-qualifying debt) is greater than five years.  
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

### 5c(i): Qualifying Debt (may be Commission only)

Issuing party	Issue date	Pricing date	Original tenor (in years)	Coupon rate (%)	Book value at issue date (NZD)	Book value at date of financial statements (NZD)	Term Credit Spread Difference	Cost of executing an interest rate swap	Debt issue cost readjustment
Counties Power does not have any qualifying debt									
* include additional rows if needed						-	-	-	-

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

Gross term credit spread differential

-

Total book value of interest bearing debt

Leverage

44%

Average opening and closing RAB values

Attribution Rate (%)

-

Term credit spread differential allowance

-

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

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

sch ref

5d(i): Operating Cost Allocations

		Value allocated (\$000s)			
	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase (\$000s)
Service interruptions and emergencies					
Directly attributable		1,483			
Not directly attributable				–	
Total attributable to regulated service		1,483			
Vegetation management					
Directly attributable		1,063			
Not directly attributable				–	
Total attributable to regulated service		1,063			
Routine and corrective maintenance and inspection					
Directly attributable		175			
Not directly attributable				–	
Total attributable to regulated service		175			
Asset replacement and renewal					
Directly attributable		1,563			
Not directly attributable				–	
Total attributable to regulated service		1,563			
System operations and network support					
Directly attributable		1,720			
Not directly attributable				–	
Total attributable to regulated service		1,720			
Business support					
Directly attributable		1,712			
Not directly attributable		3,666	459	4,125	
Total attributable to regulated service		5,378			
Operating costs directly attributable		7,716			
Operating costs not directly attributable	–	3,666	459	4,125	–
Operational expenditure		11,382			

5d(ii): Other Cost Allocations

Pass through and recoverable costs		(\$000)
Pass through costs		
Directly attributable		449
Not directly attributable		18
Total attributable to regulated service		467
Recoverable costs		
Directly attributable		12,029
Not directly attributable		
Total attributable to regulated service		12,029

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

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

		(\$000)		
Change in cost allocation 2			CY-1	Current Year (CY)
Cost category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

		(\$000)		
Change in cost allocation 3			CY-1	Current Year (CY)
Cost category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

\* a change in cost allocation must be completed for each cost allocator change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component.  
† include additional rows if needed

SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

This schedule requires information on the allocation of asset values. This information supports the calculation of the RAB value in Schedule 4. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any changes in asset allocations. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

7	5e(i): Regulated Service Asset Values			
8			Value allocated	
9			(\$000s)	
10			Electricity distribution	
11			services	
12				
13				
14				
15				
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47				
48				
49				
50				
51	5e(ii): Changes in Asset Allocations* †			
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80				

\* a change in asset allocation must be completed for each allocator or component change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component.

† include additional rows if needed

## SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs. EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

7	<b>6a(i): Expenditure on Assets</b>	(\$000)	(\$000)
8	Consumer connection		6,129
9	System growth		15,600
10	Asset replacement and renewal		3,130
11	Asset relocations		154
12	Reliability, safety and environment:		
13	Quality of supply	417	
14	Legislative and regulatory	111	
15	Other reliability, safety and environment	1,645	
16	<b>Total reliability, safety and environment</b>		2,172
17	<b>Expenditure on network assets</b>		27,185
18	Expenditure on non-network assets		1,031
19			
20	<b>Expenditure on assets</b>		28,216
21	plus Cost of financing		
22	less Value of capital contributions		4,237
23	plus Value of vested assets		
24			
25	<b>Capital expenditure</b>		23,979
26	<b>6a(ii): Subcomponents of Expenditure on Assets (where known)</b>		(\$000)
27	Energy efficiency and demand side management, reduction of energy losses		
28	Overhead to underground conversion		1,809
29	Research and development		
30	<b>6a(iii): Consumer Connection</b>		
31	Consumer types defined by EDB*	(\$000)	(\$000)
32	Urban residential	2,686	
33	Urban commercial	979	
34	Rural residential	1,131	
35	Rural commercial	1,333	
36			
37	* include additional rows if needed		
38	<b>Consumer connection expenditure</b>		6,129
39			
40	less Capital contributions funding consumer connection expenditure	4,237	
41	<b>Consumer connection less capital contributions</b>		1,891
42	<b>6a(iv): System Growth and Asset Replacement and Renewal</b>		
43		System Growth	Asset Replacement and Renewal
44		(\$000)	(\$000)
45	Subtransmission	3,462	-
46	Zone substations	4,993	-
47	Distribution and LV lines	1,550	1,170
48	Distribution and LV cables	1,834	682
49	Distribution substations and transformers	2,315	1,145
50	Distribution switchgear	233	-
51	Other network assets	1,213	132
52	<b>System growth and asset replacement and renewal expenditure</b>	15,600	3,130
53	less Capital contributions funding system growth and asset replacement and renewal		
54	<b>System growth and asset replacement and renewal less capital contributions</b>	15,600	3,130
55			
56	<b>6a(v): Asset Relocations</b>		
57	Project or programme*	(\$000)	(\$000)
58	AT road widening	39	
59	WDC road widening	26	
60	NZTA road widening	32	
61	Other agency related	57	
62			
63	* include additional rows if needed		
64	All other projects or programmes - asset relocations		
65	<b>Asset relocations expenditure</b>		154
66	less Capital contributions funding asset relocations		
67	<b>Asset relocations less capital contributions</b>		154
68			

Company Name

Counties Power Ltd

For Year Ended

31 March 2015

**SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR**

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs. EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).

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

sch ref

**6a(vi): Quality of Supply**

Project or programme\*

(\$000)

(\$000)

Voltage quality resolution

417

Other

-

\* include additional rows if needed

All other projects programmes - quality of supply

**Quality of supply expenditure**

417

less Capital contributions funding quality of supply

**Quality of supply less capital contributions**

417

**6a(vii): Legislative and Regulatory**

Project or programme\*

(\$000)

(\$000)

Non compliant corrective work

39

Other

72

\* include additional rows if needed

All other projects or programmes - legislative and regulatory

**Legislative and regulatory expenditure**

111

less Capital contributions funding legislative and regulatory

**Legislative and regulatory less capital contributions**

111

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

Project or programme\*

(\$000)

(\$000)

Switch renewal programme

52

Automation programme

351

Safety

722

Other

520

\* include additional rows if needed

All other projects or programmes - other reliability, safety and environment

**Other reliability, safety and environment expenditure**

1,645

less Capital contributions funding other reliability, safety and environment

**Other reliability, safety and environment less capital contributions**

1,645

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

Project or programme\*

(\$000)

(\$000)

Replacement - Vehicles, Plant, Tools, Computing and Office

1,031

\* include additional rows if needed

All other projects or programmes - routine expenditure

**Routine expenditure**

1,031

**Atypical expenditure**

Project or programme\*

(\$000)

(\$000)

Nil

\* include additional rows if needed

All other projects or programmes - atypical expenditure

**Atypical expenditure**

-

**Expenditure on non-network assets**

1,031

## SCHEDULE 6b: REPORT ON OPERATIONAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of operational expenditure incurred in the disclosure year.  
EDBs must provide explanatory comment on their operational expenditure in Schedule 14 (Explanatory notes to templates). This includes explanatory comment on any atypical operational expenditure and assets replaced or renewed as part of asset replacement and renewal operational expenditure, and additional information on insurance.  
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

		(\$000)	(\$000)
7	<b>6b(i): Operational Expenditure</b>		
8	Service interruptions and emergencies	1,483	
9	Vegetation management	1,063	
10	Routine and corrective maintenance and inspection	175	
11	Asset replacement and renewal	1,563	
12	<b>Network opex</b>		4,284
13	System operations and network support	1,720	
14	Business support	5,378	
15	<b>Non-network opex</b>		7,098
16			
17	<b>Operational expenditure</b>		11,382
18	<b>6b(ii): Subcomponents of Operational Expenditure (where known)</b>		
19	Energy efficiency and demand side management, reduction of energy losses		N/A
20	Direct billing*		N/A
21	Research and development		-
22	Insurance		277
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		

## SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE

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

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

sch ref

7	<b>7(i): Revenue</b>	<b>Target (\$000) <sup>1</sup></b>	<b>Actual (\$000)</b>	<b>% variance</b>
8	Line charge revenue	45,385	46,359	2%
9	<b>7(ii): Expenditure on Assets</b>	<b>Forecast (\$000) <sup>2</sup></b>	<b>Actual (\$000)</b>	<b>% variance</b>
10	Consumer connection	3,869	6,129	58%
11	System growth	16,973	15,600	(8%)
12	Asset replacement and renewal	5,048	3,130	(38%)
13	Asset relocations	175	154	(12%)
14	Reliability, safety and environment:			
15	Quality of supply	450	417	(7%)
16	Legislative and regulatory	107	111	4%
17	Other reliability, safety and environment	6,179	1,645	(73%)
18	<b>Total reliability, safety and environment</b>	<b>6,736</b>	<b>2,172</b>	<b>(68%)</b>
19	<b>Expenditure on network assets</b>	<b>32,801</b>	<b>27,185</b>	<b>(17%)</b>
20	Expenditure on non-network assets	978	1,031	5%
21	Expenditure on assets	33,779	28,216	(16%)
22	<b>7(iii): Operational Expenditure</b>			
23	Service interruptions and emergencies	1,570	1,483	(6%)
24	Vegetation management	1,001	1,063	6%
25	Routine and corrective maintenance and inspection	136	175	29%
26	Asset replacement and renewal	1,126	1,563	39%
27	<b>Network opex</b>	<b>3,833</b>	<b>4,284</b>	<b>12%</b>
28	System operations and network support	1,743	1,720	(1%)
29	Business support	4,362	5,378	23%
30	<b>Non-network opex</b>	<b>6,105</b>	<b>7,098</b>	<b>16%</b>
31	<b>Operational expenditure</b>	<b>9,938</b>	<b>11,382</b>	<b>15%</b>
32	<b>7(iv): Subcomponents of Expenditure on Assets (where known)</b>			
33	Energy efficiency and demand side management, reduction of energy losses		–	–
34	Overhead to underground conversion	1,757	1,809	3%
35	Research and development		–	–
36				
37	<b>7(v): Subcomponents of Operational Expenditure (where known)</b>			
38	Energy efficiency and demand side management, reduction of energy losses	–	N/A	–
39	Direct billing	–	N/A	–
40	Research and development	12	–	(100%)
41	Insurance	256	277	8%
42				
43	1 From the nominal dollar target revenue for the disclosure year disclosed under clause 2.4.3(3) of this determination			
44	2 From the CY+1 nominal dollar expenditure forecasts disclosed in accordance with clause 2.6.6 for the forecast period starting at the beginning of the disclosure year (the second to last disclosure of Schedules 11a and 11b)			

Company Name  
For Year Ended  
' Sub-Network Name

Counties Power Ltd  
31 March 2015

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

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

sch ref

8(i): Billed Quantities by Price Component

Consumer group name or price category code  
Consumer type or types (eg, residential, commercial etc.)  
Standard or non-standard consumer group (specify)  
Average no. of ICPs in disclosure year  
Energy delivered to ICPs in disclosure year (MWh)

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

Price component

Billed quantities by price component

0700-1100	1700-2200	2400-0700	Anytime	Day	Econo	Export	M/W Light	Night	Off Peak	Priority Econo	Peak Saver	Prepay	Summer Peak	Streetlight	Thrifty Night	Winter Peak	Annual Contract	Demand	Reactive	Supply	Transformer
MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MWh	MVA	MVArh	Day	Day

Add extra columns for additional billed quantities by price component as necessary

Business	Commercial	Standard	7,232	92,837
3 Rate	Commercial	Standard	122	9,397
Standard Domestic	Residential	Standard	19,382	187,702
Low User Domestic	Residential	Standard	11,149	56,988
Prepaid Domestic	Residential	Standard	793	3,914
Time Of Use	Residential	Standard	157	109,290
Streetlights	Commercial	Standard	15	2,423
NZS	Industrial	Non-standard	3	50,667
Watercare	Industrial	Non-standard	1	23,182
Yashili	Industrial	Non-standard	2	628

Add extra rows for additional consumer groups or price category codes as necessary

Standard consumer totals	38,850	462,552
Non-standard consumer totals	6	74,477
Total for all consumers	38,856	537,029

–	–	–	82,415	591	8,705	11	–	812	–	97	35	–	–	–	171	–	–	–	–	2,561	–
–	–	–	–	–	–	–	–	3,121	3,750	–	–	–	1,477	–	–	1,049	–	–	–	84	–
–	–	–	135,656	–	49,458	283	–	–	–	1,397	–	–	–	–	908	–	–	–	–	7,439	–
–	–	–	39,281	–	16,899	73	–	–	–	–	513	–	–	–	222	–	–	–	–	7,299	–
–	–	–	–	–	–	–	–	–	–	–	–	3,914	–	–	–	–	–	–	–	–	–
22,997	16,525	23,391	568	–	–	–	–	430	44,871	–	–	–	280	–	–	228	–	362	7,776	5	53
–	–	–	–	–	–	–	200	–	–	–	–	–	–	2,222	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	50,667	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	23,182	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	628	–	–	–	–
22,997	16,525	23,391	257,920	591	75,063	367	200	4,363	48,621	97	1,946	3,914	1,758	2,222	1,301	1,276	–	362	7,776	17,388	53
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	74,477	–	–	–	–
22,997	16,525	23,391	257,920	591	75,063	367	200	4,363	48,621	97	1,946	3,914	1,758	2,222	1,301	1,276	74,477	362	7,776	17,388	53

8(ii): Line Charge Revenues (\$000) by Price Component

Consumer group name or price category code  
Consumer type or types (eg, residential, commercial etc.)  
Standard or non-standard consumer group (specify)  
Transmission charge revenue in disclosure year  
Revenue foregone from posted discounts (if applicable)

Total transmission line charge revenue (if available)  
Total distribution line charge revenue

Price component  
Rate (eg, \$ per day, \$ per kWh, etc.)

Line charge revenues (\$000) by price component

0700-1100	1700-2200	2400-0700	Anytime	Day	Econo	Export	M/W Light	Night	Off Peak	Priority Econo	Peak Saver	Prepay	Summer Peak	Streetlight	Thrifty Night	Winter Peak	Annual Contract	Demand	Reactive	Supply	Transformer
kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kWh	kVA	kVArh	Day	Day

Add extra columns for additional line charge revenues by price component as necessary

Business	Commercial	Standard	\$10,419	
3 Rate	Commercial	Standard	\$716	
Standard Domestic	Residential	Standard	\$18,747	
Low User Domestic	Residential	Standard	\$5,970	
Prepaid Domestic	Residential	Standard	\$377	
Time Of Use	Residential	Standard	\$7,585	
Streetlights	Commercial	Standard	\$385	
NZS	Industrial	Non-standard	\$1,354	
Watercare	Industrial	Non-standard	\$539	
Yashili	Industrial	Non-standard	\$268	

Add extra rows for additional consumer groups or price category codes as necessary

Standard consumer totals	\$44,199	–
Non-standard consumer totals	\$2,161	–
Total for all consumers	\$46,359	–

\$44,199	–
\$2,161	–
\$46,359	–

–	–	–	\$7,765	\$14	\$406	\$0	–	\$78	–	\$7	\$1	–	–	–	\$4	–	–	–	–	\$2,145	–
–	–	–	–	–	–	–	–	\$73	\$262	–	–	–	\$149	–	–	\$160	–	–	–	\$71	–
–	–	–	\$12,165	–	\$2,220	\$3	–	–	–	–	\$35	–	–	–	\$23	–	–	–	–	\$4,301	–
–	–	–	\$4,311	–	\$1,098	\$1	–	–	–	–	\$24	–	–	–	\$10	–	–	–	–	\$526	–
–	–	–	–	–	–	–	–	–	–	–	–	\$377	–	–	–	–	–	–	–	–	–
\$917	\$1,012	\$267	\$53	–	–	–	–	\$9	\$856	–	–	–	\$26	–	–	\$37	–	\$3,387	\$386	\$4	\$630
–	–	–	–	–	–	–	\$19	–	–	–	–	–	–	\$366	–	–	–	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	\$1,354	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	\$539	–	–	–	–
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	\$268	–	–	–	–
\$917	\$1,012	\$267	\$24,294	\$14	\$3,725	\$3	\$19	\$160	\$1,119	\$7	\$60	\$377	\$176	\$366	\$37	\$197	–	\$3,387	\$386	\$7,048	\$630
–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	\$2,161	–	–	–	–
\$917	\$1,012	\$267	\$24,294	\$14	\$3,725	\$3	\$19	\$160	\$1,119	\$7	\$60	\$377	\$176	\$366	\$37	\$197	\$2,161	\$3,387	\$386	\$7,048	\$630

8(iii): Number of ICPs directly billed

Number of directly billed ICPs at year end

Check OK

Company Name	Counties Power Ltd
For Year Ended	31 March 2015
Network / Sub-network Name	

SCHEDULE 9a: ASSET REGISTER

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref								
8	Voltage	Asset category	Asset class	Units	Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1–4)
9	All	Overhead Line	Concrete poles / steel structure	No.	26,143	25,942	(201)	3
10	All	Overhead Line	Wood poles	No.	1,550	1,516	(34)	3
11	All	Overhead Line	Other pole types	No.	153	29	(124)	3
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	107	93	(14)	4
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	44	54	10	4
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	2	2	(0)	4
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	–	–	–	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	–	–	–	N/A
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	–	–	–	N/A
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	–	–	–	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	–	–	–	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	7	6	(1)	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	2	3	1	4
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	–	–	–	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	4	17	13	4
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	39	39	–	4
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	2	2	–	4
29	HV	Zone substation switchgear	33kV RMU	No.	–	–	–	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	–	–	–	N/A
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	16	16	–	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	72	85	13	3
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	–	–	–	N/A
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	16	18	2	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	1,481	1,481	(0)	4
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	–	–	–	N/A
37	HV	Distribution Line	SWER conductor	km	–	–	–	N/A
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	137	157	20	3
39	HV	Distribution Cable	Distribution UG PILC	km	32	29	(3)	3
40	HV	Distribution Cable	Distribution Submarine Cable	km	1	2	1	4
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	98	101	3	3
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	–	–	–	N/A
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	5,338	5,197	(141)	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	–	–	–	N/A
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	143	155	12	3
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	3,312	3,404	92	3
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	741	741	–	3
48	HV	Distribution Transformer	Voltage regulators	No.	4	4	–	3
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	708	705	(3)	3
50	LV	LV Line	LV OH Conductor	km	779	752	(27)	3
51	LV	LV Cable	LV UG Cable	km	517	553	36	3
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	11	30	19	3
53	LV	Connections	OH/UG consumer service connections	No.	38,497	39,214	717	3
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	97	114	17	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	–	4
56	All	Capacitor Banks	Capacitors including controls	No	33	33	–	3
57	All	Load Control	Centralised plant	Lot	4	5	1	4
58	All	Load Control	Relays	No	29,922	13,064	(16,858)	3
59	All	Civils	Cable Tunnels	km	–	–	–	N/A

### SCHEDULE 9b: ASSET AGE PROFILE

This schedule requires a summary of the age profile (based on year of installation) of the assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

8	Disclosure Year (year ended)			31 March 2015			Number of assets at disclosure year end by installation date																												
9	Voltage	Asset category	Asset class	Units	pre-1940	1940 -1949	1950 -1959	1960 -1969	1970 -1979	1980 -1989	1990 -1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	No. with age unknown	Items at end of year (quantity)	No. with default dates	Data accuracy (1-4)				
10	All	Overhead Line	Concrete poles / steel structure	No.	18	26	299	2,272	4,029	6,226	6,870	702	434	626	341	253	423	347	484	290	549	390	336	386	196	160	273	12	25,942		3				
11	All	Overhead Line	Wood poles	No.	2	2	26	171	327	152	650	42	9	22	5	8	4	22	8	8	21	11	4	8	4	2	5	3	1,516		3				
12	All	Overhead Line	Other pole types	No.	-	-	-	-	10	3	8	-	-	-	-	-	-	-	-	-	-	2	1	-	-	-	-	5	-	29		3			
13	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	8	-	-	25	30	8	-	-	7	-	-	-	14	-	-	-	-	-	-	1	-	-	-		93		4				
14	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	-	-	0	18	-	-	-	-	-	-	-	26	-	-	-	-	-	-	-	10		54		4				
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	-	-	-	-	-	0	-	-	-	1	-	-	-	0	0	-	-	-	-	0	-	-	-		2		4				
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
18	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
22	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
23	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
24	HV	Zone substation Buildings	Zone substations up to 66kV	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-		6		4				
25	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	1	-		3		4				
26	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
27	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	15		17		4				
28	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	13	5	14	3	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		39		4				
29	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		2		4				
30	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
31	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
32	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	-	-	1	2	3	5	-	-	-	-	-	3	-	-	-	-	-	-	-	2	-	-	-		16		4				
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	-	-	-	4	17	30	1	-	-	-	-	-	-	11	-	-	-	-	-	-	-	-	22		85		3				
34	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
35	HV	Zone Substation Transformer	Zone Substation Transformers	No.	-	-	1	5	2	4	2	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	2		18		4				
36	HV	Distribution Line	Distribution OH Open Wire Conductor	km	40	64	60	238	233	324	242	39	25	15	26	18	12	16	16	12	15	23	18	11	10	10	12		1,481		4				
37	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
38	HV	Distribution Line	SWER conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
39	HV	Distribution Cable	Distribution UG XLPE or PVC	km	-	-	0	-	0	5	21	7	5	2	4	4	6	11	15	7	3	11	13	8	8	9	19		157		3				
40	HV	Distribution Cable	Distribution UG PILC	km	-	-	0	6	5	6	8	0	0	-	-	0	-	-	1	0	-	0	0	1	0	0	1		29		3				
41	HV	Distribution Cable	Distribution Submarine Cable	km	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	0	-	-	0	-	-	1		2		4				
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	-	-	-	2	-	16	4	2	2	2	2	-	-	5	3	8	6	8	16	5	6	11	3		101		3				
43	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	5	3	23	105	206	650	1,417	209	171	108	113	99	165	114	152	116	107	226	143	337	236	267	159		66	5,197		3			
45	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				
46	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	-	-	-	7	10	13	14	7	1	2	3	6	1	3	5	8	12	10	12	12	6	10	13		155		3				
47	HV	Distribution Transformer	Pole Mounted Transformer	No.	5	2	18	38	141	380	776	71	106	75	82	77	105	97	103	48	53	163	110	306	195	229	158		66	3,404		3			
48	HV	Distribution Transformer	Ground Mounted Transformer	No.	8	-	-	5	14	29	156	31	24	24	19	31	20	28	33	32	29	35	30	51	34	75	33		741		3				
49	HV	Distribution Transformer	Voltage regulators	No.	-	-	1	-	-	1	-	-	-	-	1	-	-	-	-	-	-	-	-	1	-	-	-		4		3				
50	HV	Distribution Substations	Ground Mounted Substation Housing	No.	8	1	12	39	68	48	181	27	38	18	15	14	11	37	11	13	28	23	14	22	21	53	3		705		3				
51	LV	LV Line	LV OH Conductor	km	-	-	1	2	3	5	685	9	7	5	4	3	2	4	2	1	3	4	3	4	2	2	2		752		3				
52	LV	LV Cable	LV UG Cable	km	0	-	0	1	8	3	209	24	24	13	25	13	14	40	34	23	11	11	15	11	22	20	32		553		3				
53	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	-	-	-	0	0	1	1	0	1	0	1	-	1	1	0	0	1	0	1	3	12	5	1		30		3				
54	LV	Connections	OH/UG consumer service connections	No.	-	-	-	-	10	12,324	14,981	530	536	595	989	1,034	941	842	890	920	561	589	501	493	722	900	868		39,226		3				
55	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	-	-	1	7	22	30	6	-	-	-	-	-	2	-	14	-	-	-	2	1	2	-	27		114		3				
56	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-		1		4				
57	All	Capacitor Banks	Capacitors including controls	No	-	-	-	-	-	-	24	-	-	-	-	-	-	1	3	4	-	-	-	1	-	-	-		33		3				
58	All	Load Control	Centralised plant	Lot	-	-	-	-	-	2	1	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	1		5		4				
59	All	Load Control	Relays	No	-	-	-	-	-	-	2,652	1,086	836	1,003	870	599	700	441	332	388	303	185	194	164	218	343	27		2,723	13,064		3			
60	All	Civils	Cable Tunnels	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		-		N/A				

Company Name

Counties Power Ltd

For Year Ended

31 March 2015

Network / Sub-network Name

**SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES**

This schedule requires a summary of the key characteristics of the overhead line and underground cable network. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

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**Circuit length by operating voltage (at year end)**

&gt; 66kV

50kV &amp; 66kV

33kV

SWER (all SWER voltages)

22kV (other than SWER)

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

Low voltage (&lt; 1kV)

**Total circuit length (for supply)**

Dedicated street lighting circuit length (km)

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

**Overhead circuit length by terrain (at year end)**

Urban

Rural

Remote only

Rugged only

Remote and rugged

Unallocated overhead lines

**Total overhead length**

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

Overhead circuit requiring vegetation management

Overhead (km)	Underground (km)	Total circuit length (km)
54	—	54
—	—	—
93	2	95
—	—	—
545	115	660
936	74	1,010
753	553	1,306
2,381	744	3,125

	30	30
		8

Circuit length (km)	(% of total overhead length)
58	2%
2,238	94%
—	—
85	4%
—	—
—	—
2,381	100%

Circuit length (km)	(% of total circuit length)
1,410	45%

Circuit length (km)	(% of total overhead length)
2,360	99%

Company Name	Counties Power Ltd
For Year Ended	31 March 2015

## SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS

This schedule requires information concerning embedded networks owned by an EDB that are embedded in another EDB's network or in another embedded network.

*sch ref*

	Location *	Number of ICPs served	Line charge revenue (\$000)
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26	* Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network		

Company Name

Counties Power Ltd

For Year Ended

31 March 2015

Network / Sub-network Name

**SCHEDULE 9e: REPORT ON NETWORK DEMAND**

This schedule requires a summary of the key measures of network utilisation for the disclosure year (number of new connections including distributed generation, peak demand and electricity volumes conveyed).

sch ref

**9e(i): Consumer Connections**

Number of ICPs connected in year by consumer type

Consumer types defined by EDB\*

Urban residential
Urban commercial
Rural residential
Rural commercial
Industrial (at least 0.5 GWh per annum)

\* include additional rows if needed

Connections total

Number of  
connections (ICPs)

288
99
354
134
-

875

**Distributed generation**

Number of connections made in year

Capacity of distributed generation installed in year

101	connections
0.24	MVA

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

GXP demand

plus Distributed generation output at HV and above

Maximum coincident system demand

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

Demand on system for supply to consumers' connection points

Demand at time of  
maximum  
coincident  
demand (MW)

111
5
115
115

**Electricity volumes carried**

Electricity supplied from GXPs

less Electricity exports to GXPs

plus Electricity supplied from distributed generation

less Net electricity supplied to (from) other EDBs

Electricity entering system for supply to consumers' connection points

less Total energy delivered to ICPs

Electricity losses (loss ratio)

Energy (GWh)

527
40
-
567
537
30

5.3%

Load factor

0.56

**9e(iii): Transformer Capacity**

Distribution transformer capacity (EDB owned)

Distribution transformer capacity (Non-EDB owned, estimated)

Total distribution transformer capacity

Zone substation transformer capacity

(MVA)

309
56
365
238

Company Name	Counties Power Ltd
For Year Ended	31 March 2015
Network / Sub-network Name	

## SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIFI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

### 10(i): Interruptions

#### Interruptions by class

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

#### Number of interruptions

—
102
171
—
—
—
—
—
—
273

#### Interruption restoration

Class C interruptions restored within

#### ≤3Hrs >3hrs

132	39
-----	----

#### SAIFI and SAIDI by class

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

#### SAIFI SAIDI

—	—
0.13	20.9
2.45	99.2
—	—
—	—
—	—
—	—
—	—
—	—
—	—
2.58	120.1

#### Normalised SAIFI and SAIDI

Classes B & C (interruptions on the network)

#### Normalised SAIFI Normalised SAIDI

2.58	120.1
------	-------

#### Quality path normalised reliability limit

SAIFI and SAIDI limits applicable to disclosure year\*

\* not applicable to exempt EDBs

#### SAIFI reliability limit SAIDI reliability limit

N/A	N/A
-----	-----

### 10(ii): Class C Interruptions and Duration by Cause

#### Cause

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

#### SAIFI SAIDI

0.84	28.4
0.26	13.1
0.67	36.4
0.09	3.2
0.30	13.1
0.29	5.0

### 10(iii): Class B Interruptions and Duration by Main Equipment Involved

#### Main equipment involved

Subtransmission lines
Subtransmission cables
Subtransmission other
Distribution lines (excluding LV)
Distribution cables (excluding LV)
Distribution other (excluding LV)

#### SAIFI SAIDI

0.11	18.7
0.02	1.8
0.00	0.5

### 10(iv): Class C Interruptions and Duration by Main Equipment Involved

Company Name	Counties Power Ltd
For Year Ended	31 March 2015
Network / Sub-network Name	

## SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

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Main equipment involved		SAIFI	SAIDI
	Subtransmission lines	0.80	16.8
	Subtransmission cables		
	Subtransmission other		
	Distribution lines (excluding LV)	1.27	77.8
	Distribution cables (excluding LV)	0.06	1.1
	Distribution other (excluding LV)	0.32	3.5

10(v): Fault Rate

Main equipment involved		Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
	Subtransmission lines	8	147	5.44
	Subtransmission cables		2	—
	Subtransmission other			
	Distribution lines (excluding LV)	156	1,482	10.53
	Distribution cables (excluding LV)	3	189	1.59
	Distribution other (excluding LV)	4		
Total		171		

Company Name	Counties Power Limited
For Year Ended	31 March 2015

## **Schedule 14      Mandatory Explanatory Notes**

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and subclauses 2.5.1(1)(f), and 2.5.2(1)(e).
2. This schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 12 of this schedule is part of the audited disclosure information, and so is subject to the assurance requirements specified in section 2.8.
3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for EDBs to give additional explanation of disclosed information should they elect to do so.

### *Return on Investment (Schedule 2)*

4. In the box below, comment on return on investment as disclosed in Schedule 2. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

#### **Box 1: Explanatory comment on return on investment**

Classification is consistent with previous treatment except that prior years' ROI has been recalculated in accordance with clause 2.13.5.

The effect of the recalculation of previous years' ROI is to increase FY2014 post tax ROI from 7.23% to 7.86%, and vanilla ROI from 7.91% to 8.54%; and to increase FY2013 post tax ROI from 5.86% to 6.77% and vanilla ROI from 6.64% to 7.55%.

### *Regulatory Profit (Schedule 3)*

5. In the box below, comment on regulatory profit for the disclosure year as disclosed in Schedule 3. This comment must include-
  - 5.1 a description of material items included in other regulated income (other than gains / (losses) on asset disposals), as disclosed in 3(i) of Schedule 3
  - 5.2 information on reclassified items in accordance with subclause 2.7.1(2).

**Box 2: Explanatory comment on regulatory profit**

Line charge revenue and operational expenditure excludes Relays revenue and expenditure in FY2015 as the load control devices were written off in the year following the replacement of legacy meters with non-regulated Smart Meters.

As per FY2014, Other regulated income includes only standard recoveries relating to the regulated business e.g. Electricity Reserve Market and Other Customer Recoveries related to the Regulatory business that are not Capital Receipts.

There were no reclassified Other regulated income items this disclosure year.

*Merger and acquisition expenses (3(iv) of Schedule 3)*

6. If the EDB incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below-

6.1 information on reclassified items in accordance with subclause 2.7.1(2)

6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

**Box 3: Explanatory comment on merger and acquisition expenditure**

No mergers or acquisitions for the regulated business occurred during the disclosure year.

*Value of the Regulatory Asset Base (Schedule 4)*

7. In the box below, comment on the value of the regulatory asset base (rolled forward) in Schedule 4. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

**Box 4: Explanatory comment on the value of the regulatory asset based (rolled forward)**

RAB asset categories are as per accounting records, except for distribution switchgear which has been extracted from distribution and LV lines, (switches), and from distribution and LV cables, (RMUs). Replacement costs established in 2009 were used for assigning values to the switchgear in the FY2010 and FY2011. Replacement costs established in 2012 were used for assigning values to the switchgear in the FY2012, FY2013, FY2014 and FY2015.

There were no reclassified items this year and the method for allocating RAB into the asset categories is the same method as used in FY2014.

Assets being disposed of comprise non-system minor plant and equipment (\$2k), and transformers sold as scrap (\$357k).

*Regulatory tax allowance: disclosure of permanent differences (5a(i) of Schedule 5a)*

8. In the box below, provide descriptions and workings of the material items recorded in the following asterisked categories of 5a(i) of Schedule 5a-

8.1 Income not included in regulatory profit / (loss) before tax but taxable;

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

8.3 Income included in regulatory profit / (loss) before tax but not taxable;

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

**Box 5: Regulatory tax allowance: permanent differences**

Items included in permanent differences are the difference between gain/loss on sale of regulatory assets used for the regulatory P&L and the equivalent calculation for tax purposes and non-deductible entertainment expenses and associated GST as they relate to the regulated business, i.e. Loss on disposal disclosure P&L \$300.47k; and entertainment expenditure & GST on entertainment expenditure not deductible disclosure P&L \$9.29k.

*8.1 Income not included in regulatory profit / (loss) before tax but taxable*

There is no income not included in the regulatory profit before tax that is taxable.

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

Included in this value is permanent differences - accounting loss on disposal \$291.18k.

*8.3 Income included in regulatory profit / (loss) before tax but not taxable;*

Included in this value is regulatory asset revaluation of \$175.99k.

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

Included in this value is permanent difference (gain on sale) of \$-0.36k.

*Regulatory tax allowance: disclosure of temporary differences (5a(vi) of Schedule 5a)*

9. In the box below, provide descriptions and workings of material items recorded in the asterisked category 'Tax effect of other temporary differences' in 5a(vi) of Schedule 5a.

**Box 6: Tax effect of other temporary differences (current disclosure year)**

Temporary differences relate to holiday pay provisions, gratuity and sick leave provisions and doubtful debt provisions as they related to the regulated business. The movement in these provisions has been multiplied by the tax rate to calculate the deferred tax figure.

Holiday Pay (2015) \$248.82k (2014) \$258.36k, Gratuity & Sick leave Provision (2015) \$136.04k (2014) \$132.73k, Doubtful Debts (2015) \$295.00k (2014) \$250.00k.

2015 total \$679.86k less 2014 total \$641.09k	=	\$38.77 *28%
	=	\$10.85k

*Related party transactions: disclosure of related party transactions (Schedule 5b)*

10. In the box below, provide descriptions of related party transactions beyond those disclosed on Schedule 5b including identification and descriptions as to the nature of directly attributable costs disclosed under subclause 2.3.6(1)(b).

**Box 7: Related party transactions**

Counties Power Limited's related party is the Construction division which is wholly owned by Counties Power. The related party tenders for work to the Network division and also performs fault and emergency services on a contractual basis. Charges are made to the Network division for this work only after documentation is signed-off by Network project managers and the documentation is provided to the Finance department.

Analysis has been carried out for the 2012 to 2015 financial years to determine a revenue and expense split within the Construction department to confirm that the mark-up percentage for electrical contracting services does not exceed the 17.2% referenced in clause 2.3.6 (1) (b).

Profit elimination entries are recorded in the accounting records for charges from the related party that are capitalised as Network assets and the additions used in the RAB reflect the value after the profit elimination has been applied, as per IM Determination 2.2.11 paragraph 5(g).

The values recorded in schedule 5b are after profit elimination removal..

The related party component of major projects including upgrade of the network from 11kV to 22kV and the 110kV Bombay to Tuakau line is primarily normal labour, vehicle and plant costs. Materials on the major projects programs have been "principally supplied" by the Network division.

*Cost allocation (Schedule 5d)*

11. In the box below, comment on cost allocation as disclosed in Schedule 5d. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

**Box 8: Cost allocation**

Cost allocations have been calculated using ACAM methodology per the IM Determination. All operating costs except business support, corporate overheads and reception / customer care costs are directly attributable to the regulated services. Business support, corporate overheads and reception / customer care costs have been allocated to regulated and unregulated services using proxy cost allocators such as; Management's estimate of percentage of staff time working on regulated and unregulated services and apportionment of office space utilised for staff conducting regulated and unregulated services.

No items have been reclassified during the disclosure year.

*Asset allocation (Schedule 5e)*

12. In the box below, comment on asset allocation as disclosed in Schedule 5e. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

**Box 9: Commentary on asset allocation**

There is only limited shared usage of assets in the non-network assets category.

No items have been reclassified during the disclosure year.

*Capital Expenditure for the Disclosure Year (Schedule 6a)*

13. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6a. This comment must include-
- 13.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;
  - 13.2 information on reclassified items in accordance with subclause 2.7.1(2),

**Box 10: Explanation of capital expenditure for the disclosure year**

13.1: Consumer types are based on historical AMP descriptions. Asset relocation is reported by the requesting agency. Treatment for all other categories was to sum the many small projects by significant core drivers.

13.2: Classification is consistent with previous treatment.

*Operational Expenditure for the Disclosure Year (Schedule 6b)*

14. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-

14.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b;

14.2 Information on reclassified items in accordance with subclause 2.7.1(2);

14.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 6b, a including the value of the expenditure the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.

**Box 11: Explanation of operational expenditure for the disclosure year**

14.1: Assets replaced are typically on the distribution network i.e. pillar boxes, cross arms and poles.

14.2: Classification is consistent with previous treatment.

14.3: Thefts and third party damages (hit and run) are included in Service interruptions and emergencies' expenditure, as per last disclosure year and totalled \$211k in FY2015 (\$236k FY2014).

*Variance between forecast and actual expenditure (Schedule 7)*

15. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

**Box 12: Explanatory comment on variance in actual to forecast expenditure**

(i): The variance between actual and forecast line charge revenue is minimal.

(ii): Variances above 10% listed by category:

- Consumer connection expenditure was 58% above forecast. The unfavourable variance was due to higher than expected volume of new subdivisions. The forecast was based on previous years average and adjusted for known projects;
- Asset replacement and renewal expenditure was 38% below forecast due to deferral of rehabilitation works around Waiuku, Kaiaua, Otaua, Tuakau and Pukekohe areas (\$1,740k), re-classification of Smart Meters as a non-regulated asset (\$660k) and deferral of expenditure for Remote Terminal Unit (RTU) replacement (\$125k);
- Other reliability, safety and environment was 73% below forecast due to re-classification of Smart Meters as a non-regulated asset (\$2.5m), deferral of Advance Distribution Management System (ADMS) expenditure (\$1.5m), and deferral of the Waiuku rehabilitation works and easements pay outs (\$1.3m);
- Asset relocations expenditure is 12% below forecast due to a reduction in projects with the forecast being based on previous years average and adjusted for known projects.

(iii): Variances above 10% listed by category:

- Asset Replacement and Renewal was 39% above forecast due to rehabilitation works being brought forward for a Pukekohe transformer now located in Tuakau;
- Routine and corrective expenditure was 29% above forecast due to a significant increase in number of requests to relocate cables. Requests are driven by third party excavation contractors;
- Business support expenditure was 23% above forecast due to costs related to increased staff and support costs arising from expansion of the company.

(iv): The variance between target and actual overhead to underground conversion expenditure is minimal. Energy efficiency and R&D are not yet measured.

(v): Insurance and R&D expenditure are the only subcomponents of operational expenditure identified and measured. The other items are either not applicable or not separately identified.

*Information relating to revenues and quantities for the disclosure year*

16. In the box below provide-

- 16.1 a comparison of the target revenue disclosed before the start of the disclosure year, in accordance with clause 2.4.1 and subclause 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and
- 16.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

**Box 13: Explanatory comment relating to revenue for the disclosure year**

16.1: Target revenue disclosed according to clauses 2.4.1 and 2.4.3(3) \$45,385K

Total billed line charge revenue for the disclosure year, as disclosed in Schedule 8 \$46,359K

16.2: The difference between target and total billed line charge revenue is not material.

*Network Reliability for the Disclosure Year (Schedule 10)*

17. In the box below, comment on network reliability for the disclosure year, as disclosed in Schedule 10.

**Box 14: Commentary on network reliability for the disclosure year**

In respect of outages, the ability of the company to collect and record the network reliability information to be disclosed is limited. As a result, there is no independent evidence to support the completeness and accuracy of recorded faults and, control over the completeness and accuracy of ICP data, included in the SAIDI and SAIFI calculations, is limited throughout the year.

Counties Power does not own generation and there are no customer outages for generation owned by others (Class F) that affected customers. Note that the highest generation plant in the network is less than 5MW in FY2015.

*Insurance cover*

18. In the box below, provide details of any insurance cover for the assets used to provide electricity distribution services, including-

- 18.1 The EDB's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;
- 18.2 In respect of any self insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

**Box 15: Explanation of insurance cover**

Essential equipment housed at zone substations and distribution transformer and switchgear are insured under a materials damage policy and this cover is reviewed annually. The material damage cover is for physical loss or damage including earthquake natural disaster cover.

The bulk of the Network system (apart from above) is not covered by insurance due to the inability to get sufficient cover from the insurance industry without incurring exorbitant cost.

*Amendments to previously disclosed information*

19. In the box below, provide information about amendments to previously disclosed information disclosed in accordance with clause 2.12.1 in the last 7 years, including:
  - 19.1 a description of each error; and
  - 19.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.12.1 is publicly disclosed.

**Box 16: Disclosure of amendment to previously disclosed information**

There have been no amendments to previously disclosed information pursuant to clause 2.12.1 disclosed in the last 7 years.

Company Name	Counties Power Limited
For Year Ended	31 March 2015

## **Schedule 14a      Mandatory Explanatory Notes on Forecast Information**

1. This Schedule requires EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.6.
2. This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

*Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a)*

3. In the box below, comment on the difference between nominal and constant price capital expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11a.

**Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts**  
Based on inflation adjustment as published by Statistics New Zealand as set out in the Counties Power 2015 AMP Update.

*Commentary on difference between nominal and constant price operational expenditure forecasts (Schedule 11b)*

4. In the box below, comment on the difference between nominal and constant price operational expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11b.

**Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts**  
Based on inflation adjustment as published by Statistics New Zealand as set out in the Counties Power 2015 AMP Update.

Company Name	Counties Power Limited
For Year Ended	31 March 2015

### **Schedule 15      Voluntary Explanatory Notes**

1. This schedule enables EDBs to provide, should they wish to-
  - 1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1 and 2.5.2;
  - 1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.
2. Information in this schedule is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.
3. Provide additional explanatory comment in the box below.

**Box 1: Voluntary explanatory comment on disclosed information**

There are no voluntary disclosures this year.

## Schedule 18

## Certification for Year-end Disclosures

### Clause 2.9.2

We, Hamish William Stevens and Douglas John Troon, being directors of Counties Power Limited certify that, having made all reasonable enquiry, to the best of our knowledge-

- a) the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2, and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and
- b) the historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, and 14 has been properly extracted from the Counties Power Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.

In respect of related party costs and revenues recorded in accordance with subclauses 2.3.6(1) when valued in accordance with clause 2.2.11(5)(h)(ii) of the Electricity Distribution Services Input Methodologies Determination 2010, 2.3.6(1)(f) and 2.3.7(2)(b), we certify that, having made all reasonable enquiry, including enquiries of our related parties, we are satisfied that to the best of our knowledge and belief the costs and revenues recorded for related party transactions reasonably reflect the price or prices that would have been paid or received had these transactions been at arm's-length.

In respect of outages, the company is reliant on third parties, in some situations, to notify it of outages. Control over ICP data is also limited. Consequently, there is an inherent limitation in the company's ability to maintain outage records sufficient to ensure complete and accurate disclosure of network reliability statistics. In addition, while historical records have been maintained, requirements under the Electricity Distribution Information Disclosure Determination 2012 specific to clauses 2.5.1(1)(a) and 2.5.1(1)(b) could not have been previously foreseen to have been required and therefore information obtained from the Geospatial Information Systems will not be wholly sufficient for the purposes of Electricity Distribution Information Disclosure Determination 2012.



H.W. Stevens



D.J. Troon

26 August 2015



## ***Independent Auditors' Report***

To the Directors of Counties Power Limited and to the Commerce Commission

The Auditor-General is the auditor of Counties Power Limited (the company). The Auditor-General has appointed me, Pip Cameron, using the staff and resources of PricewaterhouseCoopers, to provide an opinion, on her behalf, on whether Schedules 1 to 4, 5a to 5g, 6a and 6b, 7, the SAIDI and SAIFI information disclosed in Schedule 10 and the explanatory notes in boxes 1 to 12 in Schedule 14 ('the Disclosure Information') for the disclosure year ended 31 March 2015, have been prepared, in all material respects, in accordance with the Electricity Distribution Disclosure Information Determination 2012 (the 'Determination').

### ***Directors' responsibility for the Disclosure Information***

The directors of the company are responsible for preparation of the Disclosure Information in accordance with the Determination, and for such internal control as the directors determine is necessary to enable the preparation of the Disclosure Information that is free from material misstatement.

### ***Auditor's responsibility for the Disclosure Information***

Our responsibility is to express an opinion on whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination.

We conducted our 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 External Reporting Board and the Standard on Assurance Engagements 3100: *Compliance Engagements* issued by the External Reporting Board.

These standards require that we comply with ethical requirements and plan and perform our audit to provide reasonable assurance (which is also referred to as 'audit' assurance) about whether the Disclosure Information has been prepared in all material respects in accordance with the Determination.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the Disclosure Information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Disclosure Information, whether due to fraud or error or non-compliance with the Determination. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the Disclosure Information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

An audit also involves evaluating:

- The appropriateness of assumptions used and whether they have been consistently applied; and
- The reasonableness of the significant judgements made by the directors of the company.



## ***Independent Auditors' Report***

Counties Power Limited

### ***Use of this report***

This independent auditor's report has been prepared for the directors of the company and for the Commerce Commission for the purpose of providing those parties with independent audit assurance about whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the company or the Commerce Commission, or for any other purpose than that for which it was prepared.

### ***Scope and inherent limitations***

Because of the inherent limitations of an audit engagement, and the test basis of the procedures performed, it is possible that fraud, error or non-compliance may occur and not be detected.

We did not examine every transaction, adjustment or event underlying the Disclosure Information nor do we guarantee complete accuracy of the Disclosure Information. Also we did not evaluate the security and controls over the electronic publication of the Disclosure Information.

The opinion expressed in this independent auditor's report has been formed on the above basis.

### ***Independence***

When carrying out the engagement we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. We also complied with the independent auditor requirements specified in the Determination.

The Auditor-General, and her employees, and PricewaterhouseCoopers and its Partners and employees may deal with the company on normal terms within the ordinary course of trading activities of the company. Other than any dealings on normal terms within the ordinary course of business, this engagement, and the annual audit of the company's financial statements, we have no relationship with or interests in the company.

### ***Basis for Qualified Opinion on Schedules 10(i) to 10 (iv)***

As described in Box 14 of Schedule 14, there are inherent limitations in the ability of the company to collect and record the network reliability information required to be disclosed in Schedules 10(i) to 10(iv). Consequently there is no independent evidence available to support the completeness and accuracy of recorded faults, and control over the completeness and accuracy of interconnection point ('ICP') data included in the SAIDI and SAIFI calculations is limited throughout the year.

There are no practical audit procedures that we could adopt to confirm independently that all the faults and ICP data was properly recorded for the purposes of inclusion in the amounts relating to quality measures set out in Schedules 10(i) to 10(iv). Because of the potential effect of the limitations described above, we are unable to form an opinion as the completeness and accuracy of the data that forms the basis of the compilation of Schedules 10(i) to 10(iv).

In these respects alone we have not obtained all the recorded evidence and explanations that we have required.



## ***Independent Auditors' Report***

Counties Power Limited

### ***Qualified Opinion***

In our opinion, except for the matters described in the Basis for Qualified Opinion paragraph above:

- As far as appears from an examination of them, proper records to enable the complete and accurate compilation of the Disclosure Information have been kept by the company;
- The information used in the preparation of the Disclosure Information has been properly extracted from the company's accounting and other records and has been sourced, where appropriate, from the company's financial and non-financial systems; and
- The company has complied with the Determination, in all material respects, in preparing the Disclosure Information.

A handwritten signature in blue ink, appearing to read 'Pip Cameron'.

Pip Cameron  
On behalf of the Auditor-General  
Auckland, New Zealand  
26 August 2015

The PricewaterhouseCoopers logo, written in a stylized, cursive script.

PricewaterhouseCoopers