

WESTPOWER LIMITED

Electricity Distribution (Information Disclosure) Requirements

For The Year Ended 31 March 2008

9 April 2009

SCHEDULE 13
FORM 1 – CERTIFICATE FOR DISCLOSED INFORMATION

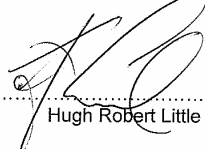
Pursuant to Requirement 11(1)

We, Suzanne Peta Merriman and Hugh Robert Little, Directors of Westpower Limited certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of Westpower Limited prepared for the purposes of requirement 3, 4, 6 and 7(5) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements –

- (i) Report FS1: Regulatory Profit Report;
- (ii) Report FS2: Regulatory Asset and Financing Report;
- (iii) Report FS3: Regulatory Tax Allowance Report;
- (iv) Report AV1: Annual Regulatory Valuation Roll-Forward Report;
- (v) Report AV2; Valuation Disclosure by Asset Class (for System Fixed Assets);
- (vi) Report AV3: System Fixed Assets Replacement Cost Roll – Forward Report;
- (vii) Report AV4: Merger or Acquisition Regulatory Asset Base Disclosure;
- (viii) Report MP1: Network Information Report;
- (ix) Report MP2: Performance Measures Report;
- (x) Report MP3: Price and Quality Report; and
- (xi) Report AM1: Expenditure Forecasts and Reconciliation.

Signed By:


.....
Suzanne Peta Merriman


.....
Hugh Robert Little

Date: 9 April 2009

REPORT FS1: REGULATORY PROFIT STATEMENT

ref		Electricity Distribution Business: Westpower Limited	
		For Year Ended	2008
5			
6	Income		
7			(\$000)
8	Net Line Charge Revenue Received	15,667	
9	plus Discretionary Discounts and Customer Rebates	-	FS1a
10	Gross Line Charge Income	15,667	
11			
12			
13	Capital Contributions	3,109	
14	plus Net Value of Vested Assets	1,441	
15	Total Capital Contributions and Vested Assets	4,550	
16			
17	AC Loss Rental Rebates Received	229	
18	less AC Loss Rental Rebates Passed On	-	
19	Net AC loss rental income (deficit)	229	
20			
21			
22	Other Income	375	
23		375	
24			
25	Total regulatory income	20,821	
26			
27			
28	Expenses		
29			
30	Transmission Charges - Payments to Transpower	3,645	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	554	
32	Total Transmission Costs	4,199	
33			
34	Operational Expenditure:		
35	General Management, Administration and Overheads		
36	System Management and Operations		
37	Routine and Preventative Maintenance	3,912	to AM1
38	Refurbishment and Renewal Maintenance		to AM1
39	Fault and Emergency Maintenance		to AM1
40	Pass-through Costs		
41	Other	2,570	
42	Total Operational Expenditure	6,482	to MP2
43			
44			
45	Operational earnings	10,140	
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	2,878	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	127	from AV1
50	Total Regulatory Depreciation	3,005	to FS3
51			
52			
53	Earnings before interest and tax (EBIT)	7,135	to FS3
54			
55	less Regulatory Tax Allowance	(540)	from FS3
56			
57	plus Indexed Revaluation (of System Fixed Assets)	2,791	from AV1
58	plus Revaluations of Non-System Fixed Assets	-	from AV1
59			
60	Regulatory profit / loss (pre-financing and distributions)	10,467	to MP2

REPORT FS1: REGULATORY PROFIT STATEMENT (cont)

Notes to Regulatory Profit Statement

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

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges		
77	Operational Expenditure	5,219	
78	Subvention Payment		
79	Other related party expenditure		
80	Total Related Party Expenditure		5,219
81	<i>N.B.: The additional Related Party information that is required to be disclosed in accordance with Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this Schedule and forms part of this Schedule.</i>		
82			
83			
84			

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

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

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

REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Westpower Limited	
5			
6			
7	Capital Expenditure on System Fixed Assets (by primary purpose)		(\$000)
8	Customer Connection		to AM1
9	System Growth		to AM1
10	Reliability, Safety and Environment		to AM1
11	Asset Replacement and Renewal	5,486	to AM1
12	Asset Relocations		to AM1
13	Total Capital Expenditure on System Fixed Assets	5,486	to AM1
14			
15			
16	Capital Expenditure on Non-System Fixed Assets	48	from AV1
17			
18			
19	Capital works roll-forward (for System Fixed Assets)		
20	Works Under Construction at Beginning of Year	7,761	
21	plus Total Capital Expenditure on System Fixed Assets	5,486	
22	less Assets Commissioned in Year	11,099	from AV1
23	Works under construction at year end	2,148	
24			
25			
26	Regulatory Investment Value calculation		
27	System Fixed Assets: regulatory value at end of Previous Year	82,924	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	729	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	2,032	2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	85,684	
31			
32	plus System Fixed Assets Commissioned in Year	11,099	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	48	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	11,147	
36	Regulatory Asset Base investment in Current Financial Year - average	5,574	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	Adjustment for merger, acquisition or sale to another EDB	-	from AV4
40			
41	Regulatory Investment Value	91,258	to MP2

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

ref		Electricity Distribution Business: Westpower Limited	For Year Ended 2008	
5				
6				
7				
8				
9				
10	Earnings before interest and tax (EBIT)		7,135	<i>from FS1</i>
11	<i>add</i> Total Regulatory Depreciation	3,005		<i>from FS1</i>
12	Other Permanent Differences - not deductible	24		
13	Other Temporary Adjustments - Current Period	292		
			3,321	
15	<i>less</i> Non Taxable Capital Contributions and Vested Assets	4,550		
16	Tax Depreciation	4,623		
17	Deductible Discretionary Discounts and Customer Rebates			
18	Deductible Interest	2,920		<i>from row 53</i>
19	Other Permanent Differences - Non Taxable			
20	Other Temporary Adjustments - Prior Period			
21			12,093	
22				
23	Regulatory taxable income for Year		(1,637)	
24				
25	<i>less</i> Tax Losses Available at Start of Year			
26	Net taxable income		(1,637)	
27				
28	Statutory Tax Rate	33%		
29	Regulatory Tax Allowance		(540)	<i>to FS1</i>

Notes to Regulatory Tax Allowance Calculation

36 FS3a: Description of adjustments classified as "other"

37
38 The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory
39 notes can be provided in a separate note if necessary).
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48 FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)

49	Standard Debt Leverage Assumption (debt/total assets)	40%	%	
50				
51	Standard Cost of Debt Assumption	8.00%	%	
52				
53	Deductible Interest	2,920	\$000	<i>to row 18</i>
54				
55	Interest Tax Shield Adjustment	964	\$000	<i>to MP2</i>
56				

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

ref		Electricity Distribution Business:	Westpower Limited					
5							For Year Ended:	2008
6							Year of most recent ODV	2004
7								
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Notes to Annual Regulatory Valuation Roll-forward Report

57	AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets	
58	CPI as at date of ODV	928
59		
60	For Year Ended	2005 2006 2007 2008 2009
61	CPI at CPI reference date	953 985 1010 1044
62	Revaluation Rate	2.69% 3.36% 2.54% 3.37% 0.00%
63		
64	System Fixed Assets: Regulatory Value at End of Previous Year	63,643 71,485 80,923 82,924 -
65	Indexed Revaluation of System Fixed Assets	1,715 2,400 2,054 2,791 - to FS1, AV1

68	AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB	
69	For Year Ended	2005 2006 2007 2008 2009
70	Acquisition of System Fixed Assets from another EDB	
71	Sale of System Fixed Assets to another EDB	
72	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	

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

Electricity Distribution Business: **Westpower Limited**
 For Year Ended: **2008**

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Subtotals by Asset Class (for System Fixed Assets)

(\$000)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	
System Fixed Assets									
Regulatory Value of System Fixed Assets (as per most recent ODV)	8,463	11,713	25,446	5,339	8,984	1,400	2,298	63,643	from AV1
Cumulative roll-forward since most recent ODV:									
Asset Additions								32,961	from AV1
Indexed Revaluation (of System Fixed Assets)								8,960	from AV1
less Regulatory Depreciation (of System Fixed Assets)								10,187	from AV1
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	from AV1
Net Increase (Decrease) Due to Changes in Asset Register Information								-	from AV1
Regulatory Value of System Fixed Assets at Year End								95,377	from AV1

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

ref		Electricity Distribution Business:	Westpower Limited	
5				For Year Ended:
6				2008
7				
8		System Fixed Assets - Replacement Cost		
9				
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12				
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17				
18		System Fixed Assets - Depreciated Replacement Cost		
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22				
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24				
25				
26				
27				
28				

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

Notes to Price and Quality Measures

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

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

Electricity Distribution Business: Westpower Limited

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

8 As at (date):
 9 Proportion of year following transfer of assets: 0%

12 **PART 1: Most recent ODV valuation of System Fixed Assets transferred** (\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transforme	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								-
14 less Depreciation								-
15 Depreciated Replacement Cost (DRC)	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								-
17 Optimised Depreciated Replacement Cost (ODRC)	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								-
19 Most recent ODV value	-	-	-	-	-	-	-	-

26 **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)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
28 Cumulative roll-forward since most recent ODV:			
29 Asset Additions			
30 Indexed Revaluation (of System Fixed Assets)			
31 less Regulatory Depreciation (of System Fixed Assets)			
32 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
33 Net Increase (Decrease) due to Changes in Asset Register Information			
34 RAB Value of Transferred Assets at Transfer Date	-		-
35 Acquisition of Assets from Another EDB	-	-	to AV1
36 Sale of Assets to Another EDB	-	-	to AV1
37 RAB Value of Transferred Assets at Transfer Date	-		
38 "p" factor (proportion of year following transfer of assets)	0%		
39 Adjustment for merger, acquisition or sale to another EDB		-	to FS2

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

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets
48 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC	-	-
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC	-	-
50		
51		

52 Signed by: Selling Entity

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55 Acquiring Entity

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

Electricity Distribution Business: Westpower Limited

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

As at (date):

Proportion of year following transfer of assets: 0%

12 **PART 1: Most recent ODV valuation of System Fixed Assets transferred** (\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transformers	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								-
14 less Depreciation								-
15 Depreciated Replacement Cost (DRC)	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								-
17 Optimised Depreciated Replacement Cost (ODRC)	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								-
19 Most recent ODV Value	-	-	-	-	-	-	-	-

26 **PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)** (\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
28 Cumulative roll-forward since most recent ODV:			
29 Asset Additions			
30 Indexed Revaluation (of System Fixed Assets)			
31 less Regulatory Depreciation (of System Fixed Assets)			
32 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
33 Net Increase (Decrease) Due to Changes in Asset Register Information			
34 RAB Value of Transferred Assets at Transfer Date	-		-
35 Acquisition of Assets from Another EDB	-	-	to AV1
36 Sale of Assets to Another EDB	-	-	to AV1
37 RAB Value of Transferred Assets at Transfer Date	-		
38 "p" factor (proportion of year following transfer of assets)	0%		
39 Adjustment for merger, acquisition or sale to another EDB		-	to FS2

47 **PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred** (\$000)

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

52 Signed by: Selling Entity

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55 Acquiring Entity

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

Electricity Distribution Business: **Westpower Limited**

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

8 As at (date):

9 Proportion of year following transfer of assets: **0%**

12 **PART 1: Most recent ODV valuation of System Fixed Assets transferred** (\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transforme	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								
14								
15 less Depreciation								
16 Depreciated Replacement Cost (DRC)	-	-	-	-	-	-	-	-
17								
18 less Optimisation adjustment								
19 Optimised Depreciated Replacement Cost (ODRC)	-	-	-	-	-	-	-	-
20								
21 less Economic Value Adjustment (EVA)								
22 Most recent ODV Value	-	-	-	-	-	-	-	-
23								
24								
25								

26 **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)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
28			
29 Cumulative roll-forward since most recent ODV:			
30 Asset Additions			
31 Indexed Revaluation (of System Fixed Assets)			
32 less Regulatory Depreciation (of System Fixed Assets)			
33 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
34 Net Increase (Decrease) Due to Changes in Asset Register Information			
35 RAB Value of Transferred Assets at Transfer Date	-		-
36			
37 Acquisition of Assets from another EDB	-	-	to AV1
38 Sale of Assets to another EDB	-	-	to AV1
39			
40 RAB Value of Transferred Assets at Transfer Date	-		
41 "p" factor (proportion of year following transfer of assets)	0%		
42 Adjustment for merger, acquisition or sale to another EDB		-	to FS2
43			
44			
45			
46			

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

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets	
48			
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		-	to AV3
50 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		-	to AV3
51			

52 Signed by: Selling Entity

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55 Acquiring Entity

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REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Westpower Limited		
6		For Year Ended:	2008	
7	Network Name:	Westpower (enter "Total Business" or name of network)		
9	Disclosure:	Annual Disclosure - Requirement 6(1)		
10	Circuit Length by Operating Line Voltage (at year end)	Overhead (km)	Underground (km)	Total (km)
12	> 66kV	61		61
13	50kV & 66kV			-
14	33kV	267	1	268
15	SWER (all SWER voltages)			-
16	22kV (other than SWER)			-
17	6.6kV to 11kV (inclusive - other than SWER)	1,440	59	1,499
18	Low Voltage (< 1kV)	169	87	256
19	Total circuit length (for Supply)	1,937	147	2,084
20				to MP2
21	Dedicated Street Lighting Circuit Length			-
23	Overhead Circuit Length by Terrain (at year end)	(km)	(%)	
24	Urban (only)	114	6%	
25	Rural (only)	1,407	73%	
26	Remote (only)	98	5%	
27	Rugged (only)	318	16%	
28	Rural & rugged (only)		0%	
29	Remote & rugged (only)		0%	
30	Unallocated overhead lines		0%	
31	Total overhead length	1,937	100%	
34	Transformer capacity (at year end)			Previous Year
35	Distribution Transformer Capacity (EDB Owned)	140 MVA		138
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	20 MVA		19
37	Total Distribution Transformer Capacity	160 MVA (to MP2)		157
39	Zone Substation Transformer Capacity	210 MVA		210
41	System Fixed Assets age (at year end)			
42	Average Age of System Fixed Assets	18 Years		
43	Average Expected Total Life of System Fixed Assets	52 Years		
44	Average Age as a Proportion of Average Expected Total Life	34%		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	12%		
51	Electricity demand	Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)	
53	GXP Demand	26	55	
54	plus Embedded Generation Output at HV and Above	18		
55	Maximum System Demand	44		
56	less Net Transfers to (from) Other EDBs at HV and Above			
57	Demand on system for supply to customers' Connection Points	44		
58	less Subtransmission Customers' Connection Point Demand	11	11	
59	Maximum Distribution Transformer Demand	33		to MP2
61	GXP Demand not Supplied at Subtransmission Level	1		
62	Embedded Generation Output - Connected to Subtransmission System	12	12	
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-	-	
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	-		
67	Five-Year System Maximum Demand Growth Forecast	8.7 % p.a.		
69	Electricity volumes carried	(GWh)		
70	Electricity Supplied from GXPs	172		
71	less Electricity Exports to GXPs			
72	plus Electricity Supplied from Embedded Generators	89		
73	less Net Electricity Supplied to (from) Other EDBs			
74	Electricity entering system for supply to customers' Connection Points	261		
75	less Electricity Supplied to Customers' Connection Points	245		to MP2
76	Electricity Losses (loss ratio)	16	6.1%	
78	Electricity Supplied to Customers' Connection Points	245		
79	less Electricity Supplied to Largest 5 Connection Points	87		
80	Electricity supplied other than to Largest 5 Connection Points	158	65%	
82	Load Factor	68%		
84	Number of Connection Points (at year end)	12,414 ICPs		to MP2
86	Intensity of service requirements			
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	16 kW/km		
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	118 MWh/km		
89	Connection Point Density (ICPs / Total circuit length)	6 ICP/km		
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	19,746 kWh/ICP		

REPORT MP2: PERFORMANCE MEASURES

ref		Electricity Distribution Business: Westpower Limited				
5		For Year Ended: 2008				
6	Performance comparators					
7		Previous Years:			Current Financial Year	
8		Current Yr - 3	Current Yr - 2	Current Yr - 1		
9	Operational expenditure ratio					
10	<i>Total Operational Expenditure</i>				6 \$m from FS1	
11	<i>Replacement Cost of System Fixed Assets (at year end*)</i>				149 \$m from AV3	
12	Ratio (%)	Not defined	Not defined	Not defined	4.35%	
13						
14	Capital expenditure ratio					
15	<i>Total Capital Expenditure on System Fixed Assets</i>				5 \$m from FS2	
16	<i>Replacement Cost of System Fixed Assets (at year end*)</i>				149 \$m from AV3	
17	Ratio (%)	Not defined	Not defined	Not defined	3.69%	
18						
19	Capital expenditure growth ratio					
20	<i>Capital Expenditure: Customer Connection and System Growth</i>				- \$m from FS2	
21	<i>Change in Total Distribution Transformer Capacity</i>				3 MVA from MP1	
22	\$/kVA	Not defined	Not defined	Not defined	- \$/kVA	
23						
24	Renewal expenditure ratio					
25	<i>Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal</i>				5 \$m from FS1 & 2	
26	<i>Regulatory Depreciation of System Fixed Assets</i>				3 \$m from AV1	
27	Ratio (%)	Not defined	Not defined	Not defined	191%	
28						
29	Distribution Transformer Capacity Utilisation					
30	<i>Maximum Distribution Transformer Demand</i>	37	39	42	33 MW from MP1	
31	<i>Total Distribution Transformer Capacity (at year end*)</i>	119	127	136	160 kVA from MP1	
32	Ratio (%)	31.2%	30.9%	30.9%	20.6%	
33						
34	Return on Investment					
35	<i>Regulatory Profit / Loss (pre-financing and distributions)</i>				10 \$m from FS1	
36	<i>less Interest Tax Shield Adjustment</i>				1 \$m from FS3	
37	<i>Adjusted Regulatory Profit</i>	-	-	-	10 \$m	
38	<i>Regulatory Investment Value</i>				91 \$m from FS2	
39	Ratio (%)	Not defined	Not defined	Not defined	10.41%	
40						
41						
42	Expenditure comparison table					
43						
44						
45						
46						
47	Capital Expenditure (\$) per	2,655	23	125,773	446	39,529 from FS2 & MP1
48	Operational Expenditure (\$) per	3,110	26	147,318	522	46,300 from FS1 & MP1
49						

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

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

Electricity Distribution Business: **Westpower**
 For Year Ended: **2008**

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

QUALITY

Interruptions

Interruptions by class

Class A	1	planned interruptions by Transpower:
Class B	86	planned interruptions on the network
Class C	79	unplanned interruptions on the network
Class D	7	unplanned interruptions by Transpower
Class E		unplanned interruptions of network owned generation
Class F		unplanned interruptions of generation (non-network)
Class G		unplanned interruptions caused by other electricity industry participant
Class H		planned interruptions caused by other electricity industry participant
Total	173	Total of above

Interruption targets for Forecast Year

	2009	Current Financial Year +1
Class B	105	planned interruptions on the network
Class C	120	unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

	2009-2013	Current Financial Year +1 to +5
Class B	95	planned interruptions on the network
Class C	110	unplanned interruptions on the network

Class C interruptions restored within

	≤3Hrs	>3hrs
	41	38

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	3.79	in year	2008
The total number of faults forecast for the Forecast Year	5.76	in year	2009
The average annual number of faults forecast for the 5 Forecast Years	5.28	average over years	2009-2013

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
	Yes	No	No	No	Yes	No	Yes
Is this voltage part of the EDB system?							
Current Financial Year	5.27				-		-
Forecast Year	7.13				2.24		0.05
Average annual for 5 Forecast Years	6.45				2.03		0.05

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
Underground	-			-		-
Overhead	5.49			-		-

Reliability

Overall reliability

	SAIDI	SAIFI	CAIDI
Based on the total number of interruptions	150.52	1.41	106.75

Reliability by interruption class

	SAIDI	SAIFI	CAIDI
Class B	44.46	0.23	193.30
Class C	106.06	1.18	89.88

Targets for Forecast Year

	SAIDI	SAIFI	CAIDI
Class B	55.00	0.32	171.88
Class C	95.00	1.27	74.80

Average targets for 5 Forecast Years

	SAIDI	SAIFI	CAIDI
Class B	45.80	0.28	163.57
Class C	85.80	1.13	75.93

PRICES

Price information by Connection Point Class

	Connection Point Class				Total	
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points		
Gross line charge income (\$000)	7,021	4,266	2,027	2,353	15,667	from FS1
Electricity Supplied to Customers' Connection Points (MWh)	78,562	56,536	23,202	86,823	245,123	from MP1
Number of Connection Points (ICPs) at year end	11,577	812	20	5	12,414	from MP1
Unit Price (cents/kWh)	8.9	7.5	8.7	2.7	6.4	
Relative Unit Price Index	1.00	0.84	0.98	0.30	0.72	

REPORT MP3: PRICE AND QUALITY (cont)

Notes to Price and Quality Measures

89	MP3a: Connection Point Class breakpoints	
90		
91	Connection Point Class breakpoints methodology	Metering installation category based breakpoints
92		
93	kVA based breakpoints - additional disclosure	
94	Breakpoint between small and medium classes	15 kVA
95	Breakpoint between large and medium classes	200 kVA
96		

REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

Electricity Distribution Business: **Westpower Limited**
 For Year Ended **2008**
 (\$000)

A) Five year forecasts of expenditure

From most recent Asset Management Plan

ref		Actual for Current Financial Year	Forecast Years					
			year 1	year 2	year 3	year 4	year 5	
			2009	2010	2011	2012	2013	
9	<i>for year ended</i>	2008						
10	Capital Expenditure: Customer Connection	-						from FS2
11	Capital Expenditure: System Growth	-						from FS2
12	Capital Expenditure: Reliability, Safety and Environment	-						from FS2
13	Capital Expenditure: Asset Replacement and Renewal	5,486						from FS2
14	Capital Expenditure: Asset Relocations	-						from FS2
15	Subtotal - Capital Expenditure on asset management	5,486	-	-	-	-	-	
17	Operational Expenditure: Routine and Preventative Maintenance	3,912						from FS1
18	Operational Expenditure: Refurbishment and Renewal Maintenance	-						from FS1
19	Operational Expenditure: Fault and Emergency Maintenance	-						from FS1
20	Subtotal - Operational Expenditure on asset management	3,912	-	-	-	-	-	
22	Total direct expenditure on distribution network	9,398	-	-	-	-	-	
24	Overhead to Underground Conversion Expenditure							
26	<i>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).</i>							

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

ref		Actual for Current Financial Year (a)	Previous forecast for Current Financial Year (b)	% Variance (a)/(b)-1	
34	Capital Expenditure: Customer Connection	-		Not defined	from row 10
35	Capital Expenditure: System Growth	-		Not defined	from row 11
36	Capital Expenditure: Asset Replacement and Renewal	-		Not defined	from row 12
38	Capital Expenditure: Reliability, Safety and Environment	5,486		Not defined	from row 13
38	Capital Expenditure: Asset Relocations	-		Not defined	from row 14
39	Subtotal - Capital Expenditure on asset management	5,486	-	Not defined	
41	Operational Expenditure: Routine and Preventative Maintenance	3,912		Not defined	from row 17
42	Operational Expenditure: Refurbishment and Renewal Maintenance	-		Not defined	from row 18
43	Operational Expenditure: Fault and Emergency Maintenance	-		Not defined	from row 19
44	Subtotal - Operational Expenditure on asset management	3,912	-	Not defined	
46	Total direct expenditure on distribution network	9,398	-	Not defined	

Explanation of variances

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

Explanatory notes (can be provided in a separate note if necessary):

WESTPOWER LIMITED
 INFORMATION DISCLOSURE - TRANSITIONAL REQUIREMENTS

AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT
 FOR THE YEAR ENDINGS 31 MARCH 2005 TO 31 MARCH 2007

	<i>2005</i>	<i>2006</i>	<i>2007</i>
	<i>\$,000</i>	<i>\$,000</i>	<i>\$,000</i>
System Fixed Assets - Replacement Cost			
Replacement cost at end of previous year	104,849	115,129	127,490
Asset Additions	8,577	9,393	2,451
Indexed Revaluation (of System Fixed Assets)	2,825	3,866	3,236
<i>less</i> Replacement Cost of Assets Decommissioned	1,122	897	588
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
Net Increase (Decrease) Due to Changes in Asset Register Information			
Replacement cost of System Fixed Assets at year end	115,129	127,490	132,589

System Fixed Assets - Depreciated Replacement Cost

Depreciated Replacement Cost at end of previous year	63,643	71,485	80,923
Asset Additions	8,577	9,393	2,451
Indexed Revaluation (of System Fixed Assets)	1,715	2,400	2,054
<i>less</i> Depreciation of Replacement Cost	1,898	2,056	2,203
<i>less</i> Depreciated Replacement Cost of Assets Decommissioned	552	299	301
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
Net Increase (Decrease) Due to Changes in Asset Register Information			
Depreciated replacement cost of System Fixed Assets at year end	71,485	80,923	82,924

**WESTPOWER LIMITED
 INFORMATION DISCLOSURE - TRANSITIONAL REQUIREMENTS
 FOR THE YEAR ENDED 31 MARCH 2008**

RELATED PARTIES

All transactions with related parties were conducted on an arms length basis at normal commercial terms.

No related party debts have been written off or forgiven during the year.

ElectroNet Services Limited

The contracting and management subsidiary of Westpower Limited, ElectroNet Services, has provided the following services for the period 1 April 2007 to 31 March 2008.

	2008 \$000	2007 \$000
Construction of subtransmission assets	773	2,058
Construction of zone substations	1,543	5,404
Construction of distribution lines and cables	1,700	1,580
Construction of medium voltage switchgear	290	308
Construction of distribution transformers	571	428
Construction of distribution substations	36	109
Construction of low voltage lines and cables	80	116
Construction of other fixed assets	313	1,311
	<u>5,306</u>	<u>11,314</u>
Maintenance of assets	3,540	3,074
Asset management services	988	583
Other Services	560	349
	<u>10,394</u>	<u>15,320</u>
Balance Outstanding 31 March	1,197	1,267

Mitton Electronet Limited

The electrical engineering consulting subsidiary of ElectroNet Services Limited, Mitton Electronet, has provided the following services for the period 1 April 2007 to 31 March 2008.

	2008 \$000	2007 \$000
Construction of zone substations	16	0
Construction of other fixed assets	17	0
	<u>33</u>	<u>0</u>
Maintenance of assets	128	0
Other Services	3	0
	<u>164</u>	<u>0</u>
Balance Outstanding 31 March	52	0

WESTPOWER LIMITED
INFORMATION DISCLOSURE - TRANSITIONAL REQUIREMENTS
FOR THE YEAR ENDED 31 MARCH 2008

EFFICIENCY PERFORMANCE MEASURES

	2008	2007	2006	2005
(a) Direct lines costs per kilometre	\$2,290.10	\$1,960.18	\$1,581.81	\$1,555.77
Direct Expenditure	\$4,772,574	\$4,086,972	\$3,196,830	\$3,114,661
System Length	2,084	2,085	2,021	2,002
(b) Indirect lines costs per electricity consumer*	\$108.17	\$107.86	\$113.00	\$106.75
Indirect Expenditure	\$1,342,873	\$1,315,028	\$1,357,170	\$1,284,339
Total Consumers*	12,414	12,192	12,010	12,031

* Number of consumers based on ICP connections

SYSTEM LENGTH

	2008	2007	2006	2005
Circuit Kilometres 110kV	0	0	0	0
Circuit Kilometres 66kV	61	60	60	60
Circuit Kilometres 33kV	269	261	246	246
Circuit Kilometres 11kV	1,499	1,508	1,459	1,440
Circuit Kilometres 230/400V	256	256	256	256
Total	2,085	2,085	2,021	2,002

TRANSFORMER CAPACITY

(In Kilovolt Amperes)

	2008	2007	2006	2005
District (Zone) Substations	210,000	209,000	151,000	107,000
Distribution Substations	140,000	136,189	127,000	119,309
Total Substations	350,000	345,189	278,000	226,309

TOTAL CONSUMERS

	2008	2007	2006	2005
Number of consumers based on ICP connections	12,414	12,192	12,010	12,010

WESTPOWER LIMITED
INFORMATION DISCLOSURE FOR THE YEAR ENDED 31 MARCH 2008

EXPLANATORY NOTES

MP2 Distribution Transformer Capacity Utilisation

The change in the methodology used to calculate the utilisation factor in the latest information disclosure requirements has resulted in a significant change in Westpower's reported ratio. In previous periods, subtransmission customers' connection point demand was included in Maximum Distribution Transformer Demand. The value of subtransmission demand for 2008 is 11MW.

In addition non-EDB owned distribution transformer capacity has been included in Total Distribution Transformer Capacity. Non-EDB owned transformer capacity for 2008 is 20MVA.

The effect of these changes in methodology is to decrease the 2008 utilisation ratio from 31.4% to 20.6%.

Auditor's independent assurance report**To the board of directors of Westpower Limited****Report on Westpower Limited's compliance with the Electricity Distribution
(Information Disclosure) Requirements 2008 for the financial year
ended 31 March 2008**

The Auditor-General is the auditor of Westpower Limited (the company). The Auditor-General has appointed me, Scott Tobin, using the staff and resources of Audit New Zealand, to provide an opinion on the compliance of the attached reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP1, MP2, MP3 and AM1 prepared by the company with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements) for the financial year ended 31 March 2008. In this independent assurance report the attached reports are called the "disclosure information".

Respective Responsibilities

The Board of Directors is responsible for preparing disclosure information which complies with the Requirements.

Clause 10 of the Requirements requires the Auditor-General to provide an opinion that the disclosure information prepared by the company has complied with the Requirements for the financial year ended 31 March 2008.

Use of this Independent Assurance Report

This independent assurance report has been prepared solely to provide assurance that the disclosure information prepared by the company complies with the Requirements for the financial year ended 31 March 2008. This independent assurance report is not intended to be used for any purposes, other than that for which it was prepared.

Scope and Limitations of the Engagement

We conducted the engagement in accordance with the New Zealand Institute of Chartered Accountants International Standard on Assurance Engagements (New Zealand) 3000: Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

In respect of disclosures of prospective financial information we conducted the engagement in accordance with the International Standard on Assurance Engagements 3400: The Examination of Prospective Financial Information (ISAE 3400). Where relevant, we have applied the principles of ISAE 3400 to the disclosure of prospective non-financial information.

This independent assurance report provides assurance that the disclosure information prepared by the company complies with the Requirements. The company's financial statements and Threshold Compliance Statements prepared pursuant to the Commerce Act (Electricity Lines Thresholds) Notice 2004 for the year ended 31 March 2008 have been subject to audit. The audit opinion on the financial statements for the year ended 31 March 2008 was unqualified and dated 30 June 2008. The audit opinion on the Threshold Compliance Statements for the year ended 31 March 2008 was unqualified, except in respect of the SAIFI statistics disclosed for the years ended 1999 to 2003, which were restated and therefore had not been taken from the information disclosed by the company in accordance with the Electricity (Information Disclosure) Regulations 1999. This opinion was dated 13 May 2008.

Our work has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information has been presented in all material respects in accordance with the Requirements. Material misstatements, whether caused by fraud or error, are differences or omissions of amounts and disclosures that would affect a user's overall understanding of the disclosure information prepared by the company.

Because of the inherent limitations in evidence gathering procedures, it is possible that fraud, error or non-compliance may occur and not be detected. As the procedures performed for this engagement are not performed continuously throughout the financial year and the procedures performed in respect of the company's compliance with the Requirements are undertaken on a test basis, our engagement cannot be relied on to detect all instances where the company may not have complied with the Requirements. Our opinion has been formed on the above basis.

Basis of Opinion

Our work in respect of any historical financial and non-financial amounts and disclosures that were audited under the financial statement and Threshold Compliance Statement audits has been limited to agreeing the amounts and disclosures to the underlying records and audited financial statements or Threshold Compliance Statements of the company.

Our work in respect of historical financial and non-financial amounts and disclosures that were not audited under the financial statement and Threshold Compliance Statement audits, has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information has been presented in all material respects in accordance with the Requirements.

In the case of prospective financial and non-financial information our work has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2008 and the immediately preceding financial year, and that the prospective financial and non-financial information has been calculated based on source data provided by the company. We have not performed audit procedures on the source data.

Independence

When carrying out the engagement we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants. We also complied with the independent auditor provisions on independence, as specified in clause 2(1) of the Requirements.

Other than this engagement and the annual audit of the company's financial statements and Threshold Compliance Statements carried out on behalf of the Auditor-General, we have no relationship with or interests in the company.

Unqualified Opinions

We have obtained all the information and explanations we have required.

In our opinion, the company has:

- kept proper records to enable the complete and accurate compilation of required information, in all material respects, as far as appears from our examination of those records;
- prepared disclosure information for the financial year ended 31 March 2008 that complies with the Requirements;
- presented the historical financial information included in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3 and AM1 for the financial year ended 31 March 2008 in accordance with the Requirements, in all material respects;
- compiled the historical non-financial information included in reports MP1, MP2 and MP3 in accordance with the guidance issued pursuant to the Requirements, and has calculated the historical non-financial information based on unaudited source data provided by the company; and
- presented the prospective non-financial information in reports MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2008 and the immediately preceding financial year, and has calculated the prospective non-financial information based on unaudited source data provided by the company.



S M Tobin
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand
9 April 2009

Matters relating to the electronic presentation of the disclosure information

This independent assurance report relates to the disclosure information of Westpower Limited (the company) made pursuant to the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 for the year ended 31 March 2008 included on the company's website. The company's Board of Directors is responsible for the maintenance and integrity of the website. We have not been engaged to report on the integrity of the website. We accept no responsibility for any changes that may have occurred to the disclosure information since it was initially presented on this website.

The independent assurance report refers only to the disclosure information named above. It does not provide an opinion on any other information which may have been hyperlinked to/from this disclosure information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the disclosure information and related independent assurance report dated 9 April 2009 to confirm the information included in the disclosure information presented on this website.

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