

WESTPOWER LIMITED

Electricity Distribution (Information Disclosure) Requirements

For The Year Ended 31 March 2009

SCHEDULE 13
FORM 1 – CERTIFICATE FOR DISCLOSED INFORMATION

Pursuant to Requirement 11(1)


We, Michael John Newcombe and Suzanne Peta Merriman, 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:



Michael John Newcombe



Suzanne Peta Merriman

Date: 7 August 2009

REPORT FS1: REGULATORY PROFIT STATEMENT

ref		Electricity Distribution Business:	Westpower Limited	
				For Year Ended 2009
5				
6	Income			
7				(\$000)
8	Net Line Charge Revenue Received		15,738	
9	plus Discretionary Discounts and Customer Rebates		1,002	FS1a
10	Gross Line Charge Income		16,740	
11				
12				
13	Capital Contributions		73	
14	plus Net Value of Vested Assets		1,314	
15	Total Capital Contributions and Vested Assets		1,387	
16				
17	AC Loss Rental Rebates Received		480	
18	less AC Loss Rental Rebates Passed On			
19	Net AC loss rental income (deficit)		480	
20				
21				
22	Other Income		365	
23			365	
24				
25	Total regulatory income		18,972	
26				
27				
28	Expenses			
29				
30	Transmission Charges - Payments to Transpower		3,479	
31	plus Avoided Transmission Charges - payments to parties other than Transpower		964	
32	Total Transmission Costs		4,443	
33				
34	Operational Expenditure:			
35	General Management, Administration and Overheads			
36	System Management and Operations			
37	Routine and Preventative Maintenance			to AM1
38	Refurbishment and Renewal Maintenance			to AM1
39	Fault and Emergency Maintenance			to AM1
40	Pass-through Costs			
41	Other			
42	Total Operational Expenditure		7,032	to MP2
43				
44				
45	Operational earnings		7,497	
46				
47				
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)		2,962	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)		107	from AV1
50	Total Regulatory Depreciation		3,069	to FS3
51				
52				
53	Earnings before interest and tax (EBIT)		4,428	to FS3
54				
55	less Regulatory Tax Allowance		(760)	from FS3
56				
57	plus Indexed Revaluation (of System Fixed Assets)		2,832	from AV1
58	plus Revaluations of Non-System Fixed Assets		-	from AV1
59				
60	Regulatory profit / loss (pre-financing and distributions)		8,019	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	1,002	
72	Total Discretionary Discounts and Customer Rebates		1,002

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges		
77	Operational Expenditure	6,546	
78	Subvention Payment		
79	Other related party expenditure		
80	Total Related Party Expenditure		6,546
81	<i>N.B.: The additional Related Party information that is required to be disclosed in accordance with</i>		
82	<i>Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this</i>		
83	<i>Schedule and forms part of this Schedule.</i>		
84			

87	FS1c: Operational Expenditure notes		(\$000)
88	Merger and Acquisition Expenses		
89	Merger and Acquisition Expenses (not to be included in Operational Expenditure)		
91	Material items (if greater than 10% of the Operational Expenditure line item)		
92	Material item amount 1		<i>Notes to be provided separately</i>
93	within expenditure category:	Select one	
94	Material item amount 2		<i>Notes to be provided separately</i>
95	within expenditure category:	Select one	
96	Material item amount 3		<i>Notes to be provided separately</i>
97	within expenditure category:	Select one	
98	<i>(further disclosures to be provided on separate page if required)</i>		
99			
100			
101			
102			
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	For Year Ended	2009
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	to AM1
12	Asset Relocations	to AM1
13	Total Capital Expenditure on System Fixed Assets	7,778 to AM1
14		
15		
16	Capital Expenditure on Non-System Fixed Assets	- from AV1
17		
18		
19	Capital works roll-forward (for System Fixed Assets)	
20	Works Under Construction at Beginning of Year	885
21	plus Total Capital Expenditure on System Fixed Assets	7,778
22	less Assets Commissioned in Year	5,846 from AV1
23	Works under construction at year end	2,817
24		
25		
26	Regulatory Investment Value calculation	
27	System Fixed Assets: regulatory value at end of Previous Year	95,377 from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	650 from AV1
29	Finance During Construction Allowance (on System Fixed assets)	2,337 2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	98,364
31		
32	plus System Fixed Assets Commissioned in Year	5,846 from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	- from AV1
34	Non-System Fixed Assets: Asset Additions	- from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	5,846
36	Regulatory Asset Base investment in Current Financial Year - average	2,923
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	101,287 to MP2

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

ref		Electricity Distribution Business:	Westpower Limited	
5			For Year Ended	2009
6				
7			(\$000)	
8		Earnings before interest and tax (EBIT)	4,428	from FS1
9				
10	add	Total Regulatory Depreciation	3,069	from FS1
11		Other Permanent Differences - not deductible	(177)	
12		Other Temporary Adjustments - Current Period	490	
13			3,382	
15	less	Non Taxable Capital Contributions and Vested Assets	1,387	
16		Tax Depreciation	4,694	
17		Deductible Discretionary Discounts and Customer Rebates	1,002	
18		Deductible Interest	3,314	from row 53
19		Other Permanent Differences - Non Taxable		
20		Other Temporary Adjustments - Prior Period	(55)	
21			10,342	
22				
23		Regulatory taxable income for Year	(2,532)	
24				
25	less	Tax Losses Available at Start of Year		
26		Net taxable income	(2,532)	
27				
28		Statutory Tax Rate	30%	
29		Regulatory Tax Allowance	(760)	to FS1

Notes to Regulatory Tax Allowance Calculation

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

48	FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)		
49			
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%
51			
52	Standard Cost of Debt Assumption	8.18%	%
53			
54	Deductible Interest	3,314	\$000 to row 18
55			
56	Interest Tax Shield Adjustment	994	\$000 to MP2

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

ref		Electricity Distribution Business:	Westpower Limited				
5						For Year Ended:	2009
6						Year of most recent ODV	2004
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49							

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	1075
62		Revaluation Rate	2.69%	3.36%	2.54%	3.37%	2.97%
63							
64		System Fixed Assets: Regulatory Value at End of Previous Year	63,643	71,485	80,923	82,924	95,377
65		Indexed Revaluation of System Fixed Assets	1,715	2,400	2,054	2,791	2,832

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: **2009**

ref
 6
 7
 8
 9
 10
 11
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21

Subtotals by Asset Class (for System Fixed Assets)

(\$000)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	
System Fixed Assets									
Regulatory Value of System Fixed Assets (as per most recent ODV)	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								40,121	from AV1
Indexed Revaluation (of System Fixed Assets)								11,792	from AV1
less Regulatory Depreciation (of System Fixed Assets)								13,149	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								102,407	from AV1

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

ref	Electricity Distribution Business:	Westpower Limited	
5		For Year Ended:	2009
6	System Fixed Assets - Replacement Cost		
7		(\$000)	
8	Replacement cost at end of previous year	148,869	
9			
10	Asset Additions	7,160	AV3a
11	Indexed Revaluation (of System Fixed Assets)	4,420	
12	less Replacement Cost of Assets Decommissioned	661	
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information		
15	Replacement cost of System Fixed Assets at year end	159,788	
16			
17			
18	System Fixed Assets - Depreciated Replacement Cost		
19			
20	Depreciated Replacement Cost at end of previous year	95,377	
21			
22	Asset Additions	7,160	AV3a
23	Indexed Revaluation (of System Fixed Assets)	2,832	
24	less Depreciation of Replacement Cost	2,749	
25	less Depreciated Replacement Cost of Assets Decommissioned	213	
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information		
28	Depreciated replacement cost of System Fixed Assets at year end	102,407	

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

Notes to Price and Quality Measures

36	AV3a: New Asset Additions		
37			
38	Asset Additions - Depreciated Replacement Cost	7,160	from AV1
39	plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions		
40			
41	Asset Additions - Replacement Cost	7,160	
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 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)**

	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	-	-

53 Signed by: Selling Entity

54

55 Acquiring Entity

56

57

REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Westpower Limited	
6		For Year Ended:	2009
7	Network Name:	Total Business (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)
11			Total (km)
12	> 66kV	9	9
13	50kV & 66kV	61	61
14	33kV	267	1
15	SWER (all SWER voltages)		-
16	22kV (other than SWER)		-
17	6.6kV to 11kV (inclusive - other than SWER)	1,464	59
18	Low Voltage (< 1kV)	169	87
19	Total circuit length (for Supply)	1,970	147
20			2,117 to MP2
21	Dedicated Street Lighting Circuit Length		-
22			
23	Overhead Circuit Length by Terrain (at year end)	(km)	(%)
24	Urban (only)	150	8%
25	Rural (only)	1,359	69%
26	Remote (only)	153	8%
27	Rugged (only)	3	0%
28	Rural & rugged (only)	277	14%
29	Remote & rugged (only)	28	1%
30	Unallocated overhead lines	-	0%
31	Total overhead length	1,970	100%
32			
33			
34	Transformer capacity (at year end)		Previous Year
35	Distribution Transformer Capacity (EDB Owned)	146 MVA	140
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	27 MVA	20
37	Total Distribution Transformer Capacity	173 MVA (to MP2)	160
38			
39	Zone Substation Transformer Capacity	204 MVA	210
40			
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%	
45			
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	12%	
47			
48			
49			
50		Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)
51	Electricity demand		
52			
53	GXP Demand	31	55
54	plus Embedded Generation Output at HV and Above	17	
55	Maximum System Demand	47	
56	less Net Transfers to (from) Other EDBs at HV and Above		
57	Demand on system for supply to customers' Connection Points	47	
58	less Subtransmission Customers' Connection Point Demand	11	13
59	Maximum Distribution Transformer Demand	36	
60			to MP2
61	GXP Demand not Supplied at Subtransmission Level		
62	Embedded Generation Output - Connected to Subtransmission System	12	13
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only		
64			
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	-	
66			
67	Five-Year System Maximum Demand Growth Forecast	7.8 % p.a.	
68			
69	Electricity volumes carried	(GWh)	
70	Electricity Supplied from GXPs	195	
71	less Electricity Exports to GXPs		
72	plus Electricity Supplied from Embedded Generators	91	
73	less Net Electricity Supplied to (from) Other EDBs		
74	Electricity entering system for supply to customers' Connection Points	286	
75	less Electricity Supplied to Customers' Connection Points	272	
76	Electricity Losses (loss ratio)	14	4.9%
77			to MP2
78	Electricity Supplied to Customers' Connection Points	272	
79	less Electricity Supplied to Largest 5 Connection Points	108	
80	Electricity supplied other than to Largest 5 Connection Points	164	60%
81			
82	Load Factor	69%	
83			
84	Number of Connection Points (at year end)	12,617 ICPs	to MP2
85			
86	Intensity of service requirements		
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	17 kW/km	
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	128 MWh/km	
89	Connection Point Density (ICPs / Total circuit length)	6 ICP/km	
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	21,551 kWh/ICP	

REPORT MP2: PERFORMANCE MEASURES

Electricity Distribution Business: **Westpower Limited**
 For Year Ended: **2009**

ref
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

Performance comparators

	Previous Years:			Current Financial Year		
	Current Yr - 3	Current Yr - 2	Current Yr - 1			
Operational expenditure ratio						
	Total Operational Expenditure		6	7	\$m	from FS1
	Replacement Cost of System Fixed Assets (at year end*)		149	160	\$m	from AV3
	Ratio (%)	Not defined	Not defined	4.35%		4.40% %
Capital expenditure ratio						
	Total Capital Expenditure on System Fixed Assets		5	8	\$m	from FS2
	Replacement Cost of System Fixed Assets (at year end*)		149	160	\$m	from AV3
	Ratio (%)	Not defined	Not defined	3.69%		4.87% %
Capital expenditure growth ratio						
	Capital Expenditure: Customer Connection and System Growth			-	\$m	from FS2
	Change in Total Distribution Transformer Capacity			13	MVA	from MP1
	\$/kVA	Not defined	Not defined	Not defined		- \$/kVA
Renewal expenditure ratio						
	Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal			-	\$m	from FS1 & 2
	Regulatory Depreciation of System Fixed Assets			3	\$m	from AV1
	Ratio (%)	Not defined	Not defined	Not defined		0% %
Distribution Transformer Capacity Utilisation						
	Maximum Distribution Transformer Demand	39	42	33	MW	from MP1
	Total Distribution Transformer Capacity (at year end*)	127	136	160	kVA	from MP1
	Ratio (%)	30.9%	30.9%	20.6%		20.8% %
Return on Investment						
	Regulatory Profit / Loss (pre-financing and distributions)		10	8	\$m	from FS1
	less Interest Tax Shield Adjustment		1	1	\$m	from FS3
	Adjusted Regulatory Profit	-	-	10	\$m	
	Regulatory Investment Value		91	101	\$m	from FS2
	Ratio (%)	Not defined	Not defined	10.41%		6.94% %

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

Expenditure comparison table

	Expenditure metrics (\$ per):					
	Total circuit length (for Supply) (\$/km)	Electricity Supplied to Customers' Connection Points (\$/MWh)	Maximum coincident system demand (\$/MW)	Connection Point (\$/ICP)	Distribution Transformer Capacity (EDB-Owned) (\$/MVA)	
Capital Expenditure (\$ per)	3,674	29	164,459	616	53,272	from FS2 & MP1
Operational Expenditure (\$ per)	3,322	26	148,690	557	48,164	from FS1 & MP1

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

ref	Electricity Distribution Business:	Westpower
6	For Year Ended:	2009
7	Network Name:	Total Business
8	Disclosure:	Annual Disclosure - Requirement 6(1)

QUALITY

Interruptions

Interruptions by class

Class A		planned interruptions by Transpower
Class B	89	planned interruptions on the network
Class C	155	unplanned interruptions on the network
Class D	3	unplanned interruptions by Transpower
Class E		unplanned interruptions of network owned generation
Class F		unplanned interruptions of generation (non-network)
Class G		unplanned interruptions caused by other electricity industry participant
Class H		planned interruptions caused by other electricity industry participant
Total	247	Total of above

Interruption targets for Forecast Year

Class B	2010	Current Financial Year +1
	110	planned interruptions on the network
Class C	115	unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

Class B	2010-2014	Current Financial Year +1 to +5
	100	planned interruptions on the network
Class C	105	unplanned interruptions on the network

Class C interruptions restored within

	≤3Hrs	>3hrs
	79	76

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	7.46	in year	2009
The total number of faults forecast for the Forecast Year	5.43	in year	2010
The average annual number of faults forecast for the 5 Forecast Years	4.96	average over years	2010-2014

Fault Information per 100 circuit kilometres by Voltage and Type

Is this voltage part of the EDB system?	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
	Yes	No	No	No	Yes	Yes	Yes
Current Financial Year	9.06				5.58	6.56	11.11
Forecast Year	6.99				1.36	3.74	10.55
Average annual for 5 Forecast Years	6.32				1.23	3.38	9.55

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
Underground	3.39					
Overhead	9.29			5.62	6.56	11.11

Reliability

Overall reliability

Based on the total number of interruptions	SAIDI	SAIFI	CAIDI
	382.47	3.09	123.78

Reliability by interruption class

Class B	SAIDI	SAIFI	CAIDI
	43.45	0.19	228.68
Class C	339.02	2.90	116.90

Targets for Forecast Year

Class B	SAIDI	SAIFI	CAIDI
	50.00	0.29	172.41
Class C	90.00	1.18	76.27

Average targets for 5 Forecast Years

Class B	SAIDI	SAIFI	CAIDI
	42.00	0.27	157.04
Class C	82.00	1.09	75.60

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)	7,399	4,609	1,469	3,263	16,740	from FS1
Electricity Supplied to Customers' Connection Points (MWh)	80,816	59,367	23,968	107,764	271,915	from MP1
Number of Connection Points (ICPs) at year end	11,767	824	21	5	12,617	from MP1
Unit Price (cents/kWh)	9.2	7.8	6.1	3.0	6.2	
Relative Unit Price Index	1.00	0.85	0.67	0.33	0.67	

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 **2009**
 (\$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	
			2010	2011	2012	2013	2014	
10	Capital Expenditure: Customer Connection	-	163	173	182	193	206	from FS2
11	Capital Expenditure: System Growth	-	1,170	1,467	2,360	2,913	3,628	from FS2
12	Capital Expenditure: Reliability, Safety and Environment	-	2,066	992	1,070	686	643	from FS2
13	Capital Expenditure: Asset Replacement and Renewal	-	3,221	3,625	2,837	2,231	1,368	from FS2
14	Capital Expenditure: Asset Relocations	-	-	-	-	-	-	from FS2
15	Subtotal - Capital Expenditure on asset management	7,778	6,620	6,257	6,449	6,023	5,845	
17	Operational Expenditure: Routine and Preventative Maintenance	-	3,009	3,040	3,162	3,208	3,392	from FS1
18	Operational Expenditure: Refurbishment and Renewal Maintenance	-	1,318	1,405	1,158	1,212	1,190	from FS1
19	Operational Expenditure: Fault and Emergency Maintenance	-	807	809	863	915	964	from FS1
20	Subtotal - Operational Expenditure on asset management	4,599	5,134	5,254	5,183	5,335	5,546	
22	Total direct expenditure on distribution network	12,377	11,754	11,511	11,632	11,358	11,391	
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	Previous forecast for Current Financial Year	% Variance (a)/(b)-1	
	Year (a)	Year (b)		
34	-	-	Not defined	from row 10
35	-	-	Not defined	from row 11
36	-	-	Not defined	from row 12
38	-	-	Not defined	from row 13
39	-	-	Not defined	from row 14
39	Subtotal - Capital Expenditure on asset management		Not defined	
41	-	-	Not defined	from row 17
42	-	-	Not defined	from row 18
43	-	-	Not defined	from row 19
44	Subtotal - Operational Expenditure on asset management		Not defined	
46	Total direct expenditure on distribution network	-	-	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
FOR THE YEAR ENDED 31 MARCH 2009

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 2008 to 31 March 2009.

	2009 \$000	2008 \$000
Construction of subtransmission assets	1,820	773
Construction of zone substations	1,788	1,543
Construction of distribution lines and cables	1,551	1,700
Construction of medium voltage switchgear	994	290
Construction of distribution transformers	494	571
Construction of distribution substations	60	36
Construction of low voltage lines and cables	152	80
Construction of other fixed assets	444	313
	7,303	5,306
Maintenance of assets	4,803	3,540
Asset management services	1,140	988
Other Services	514	560
	13,760	10,394
Balance Outstanding 31 March	2,776	1,197

Mitton Electronet Limited

The electrical engineering consulting subsidiary of ElectroNet Services Limited, Mitton Electronet, has provided the following services for the period 1 April 2008 to 31 March 2009.

	2009 \$000	2008 \$000
Construction of zone substations	141	16
Construction of medium voltage switchgear	4	0
Construction of other fixed assets	41	17
	186	33
Maintenance of assets	45	128
Asset management services	44	0
Other Services	0	3
	275	164
Balance Outstanding 31 March	59	52

EFFICIENCY PERFORMANCE MEASURES					
		2009	2008	2007	2006
(a) Direct lines costs per kilometre		\$2,644.06	\$2,290.10	\$1,960.18	\$1,581.81
Direct Expenditure		\$5,597,476	\$4,772,574	\$4,086,972	\$3,196,830
System Length		2,117	2,084	2,085	2,021
(b) Indirect lines costs per electricity consumer*		\$113.69	\$108.17	\$107.86	\$113.00
Indirect Expenditure		\$1,434,479	\$1,342,873	\$1,315,028	\$1,357,170
Total Consumers*		12,617	12,414	12,192	12,010
* Number of consumers based on ICP connections					

WESTPOWER LIMITED
INFORMATION DISCLOSURE FOR THE YEAR ENDED 31 MARCH 2009

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 and 2009 is 11MW.

In addition non-EDB owned distribution transformer capacity has been included in Total Distribution Transformer Capacity. Non-EDB owned transformer capacity for 2009 is 27 MVA (2008 20MVA).

The effect of these changes in methodology is to decrease the utilisation ratio for 2009 from 32.2% to 20.8% (2008 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 2009**

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 prepared by the company in accordance with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements) for the financial year ended 31 March 2009. In this independent assurance report the attached reports are called the 'disclosure information'.

Respective Responsibilities

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

Clause 10 of the Requirements requires the Auditor-General to provide an opinion that the disclosure information prepared by the company complies with and is presented in all material respects in accordance with the Requirements for the financial year ended 31 March 2009.

Limitations and Use of this Independent Assurance Report

This independent assurance report has been prepared solely to discharge the Auditor-General's responsibilities under the Requirements for the financial year ended 31 March 2009. This independent assurance report is not intended to be used for any purposes, other than that for which it was prepared.

Material misstatements, whether caused by fraud or error, are differences or omissions of amounts and disclosures that would affect a user's overall understanding of the disclosure information prepared by the company.

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

Basis of Opinion

The company's financial statements and Threshold Compliance Statements prepared pursuant to the Commerce Act (Electricity Lines Thresholds) Notice 2004 for the year ended 31 March 2009 have been subject to audit. The audit opinion on the financial statements for the year ended 31 March 2009 was unqualified and dated 29 June 2009. The audit opinion on the Threshold Compliance Statements for the year ended 31 March 2009 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 19 May 2009.

Our work has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information complies with and has been presented in all material respects in accordance with the Requirements. We also included an assessment of the significant estimates and judgements, if any, made by the company in the preparation of the disclosure information.

Historical Financial and Non-Financial Information

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

Our work in respect of amounts and disclosures that were audited under the financial statement 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 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.

Prospective Financial and Non-Financial Information

Our work has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2009 and the immediately preceding financial year, and that the information has been calculated based on source data provided by the company, whilst acknowledging it is likely that actual results will vary from those forecasted, since anticipated events frequently do not occur as expected (and those variations may be significant). We have not performed audit procedures on the source data.

Independence

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

Other than 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; and
- The disclosure information prepared by the company for the financial year ended 31 March 2009 complies with the Requirements.

Historical Financial and Non-Financial Information

In our opinion, the company has:

- presented the historical financial information included in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3 and AM1 for the financial year ended 31 March 2009 that complies with the Requirements, in all material respects; and
- compiled the historical non-financial information included in reports MP1, MP2 and MP3 in accordance with the guidance (if any) issued pursuant to the Requirements, and has calculated the historical non-financial information based on unaudited source data provided by the company.

Prospective Financial and Non-Financial Information

In our opinion, the company has presented the information in reports AM1 and MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2009 and the immediately preceding financial year, and has calculated the prospective financial and non-financial information based on unaudited source data provided by the company.



S M Tobin
Audit New Zealand
On behalf of the Auditor-General
Christchurch
13 August 2009

Matters relating to the electronic presentation of the disclosure information

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

The audit report refers only to the disclosure information named above. It does not provide an opinion on any other information which may have been hyperlinked to or from this disclosure information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited disclosure information and related audit report dated 13 August 2009 to confirm the information included in the audited disclosure information presented on this website.

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