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Northpower Limited

Information Disclosures for the year ended 31 March 2015

Contents

- Disclosure Schedules
- Independent Auditor’s Report
- Directors’ Certificates



**EDB Information Disclosure Requirements
Information Templates
for
Schedules 1–10**

Company Name	<input type="text" value="Northpower Limited"/>
Disclosure Date	<input type="text" value="31 August 2015"/>
Disclosure Year (year ended)	<input type="text" value="31 March 2015"/>

Templates for Schedules 1–10 excluding 5f–5g
Template Version 4.1. Prepared 24 March 2015

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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)
Operational expenditure	15,844	278	97,084	2,668	29,563
Network	9,334	164	57,195	1,572	17,417
Non-network	6,510	114	39,889	1,096	12,147
Expenditure on assets	13,351	235	81,809	2,249	24,912
Network	13,014	229	79,747	2,192	24,284
Non-network	336	6	2,062	57	628

1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
Total consumer line charge revenue	63,808	1,121
Standard consumer line charge revenue	102,872	965
Non-standard consumer line charge revenue	19,046	1,468,500

1(iii): Service intensity measures

Demand density	27	Maximum coincident system demand per km of circuit length (for supply) (kW/km)
Volume density	168	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
Connection point density	10	Average number of ICPs per km of circuit length (for supply) (ICPs/km)
Energy intensity	17,574	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)

1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	15,728	24.66%
Pass-through and recoverable costs excluding financial incentives and wash-ups	21,002	32.93%
Total depreciation	9,821	15.40%
Total revaluations	202	0.32%
Regulatory tax allowance	3,311	5.19%
Regulatory profit/(loss) including financial incentives and wash-ups	14,119	22.14%
Total regulatory income	63,779	

1(v): Reliability

Interruption rate	14.68	Interruptions per 100 circuit km
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Company Name **Northpower Limited**
 For Year Ended **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).

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

2(i): Return on Investment		CY-2	CY-1	Current Year CY
		31 Mar 13 %	31 Mar 14 %	31 Mar 15 %
ROI – comparable to a post tax WACC				
	Reflecting all revenue earned	5.80%	5.23%	5.19%
	Excluding revenue earned from financial incentives	5.80%	5.23%	5.19%
	Excluding revenue earned from financial incentives and wash-ups	5.80%	5.23%	5.19%
Mid-point estimate of post tax WACC				
	25th percentile estimate	5.85%	5.43%	6.89%
	75th percentile estimate	5.13%	4.71%	6.17%
		6.56%	6.14%	7.60%
ROI – comparable to a vanilla WACC				
	Reflecting all revenue earned	6.57%	5.92%	5.97%
	Excluding revenue earned from financial incentives	6.57%	5.92%	5.97%
	Excluding revenue earned from financial incentives and wash-ups	6.57%	5.92%	5.97%
WACC rate used to set regulatory price path				
Mid-point estimate of vanilla WACC				
	25th percentile estimate	6.62%	6.11%	6.10%
	75th percentile estimate	5.91%	5.39%	5.39%
		7.34%	6.83%	6.82%
2(ii): Information Supporting the ROI		(\$'000)		
	Total opening RAB value	241,237		
	plus Opening deferred tax	(3,822)		
	Opening RIV		237,415	
	Line charge revenue		63,340	
	Expenses cash outflow	36,730		
	add Assets commissioned	10,580		
	less Asset disposals	-		
	add Tax payments	2,458		
	less Other regulated income	439		
	Mid-year net cash outflows		49,329	
	Term credit spread differential allowance		-	
	Total closing RAB value	242,199		
	less Adjustment resulting from asset allocation	(0)		
	less Lost and found assets adjustment	-		
	plus Closing deferred tax	(4,676)		
	Closing RIV		237,523	
	ROI – comparable to a vanilla WACC			5.97%
	Leverage (%)			44%
	Cost of debt assumption (%)			6.36%
	Corporate tax rate (%)			28%
	ROI – comparable to a post tax WACC			5.19%

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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).

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

2(iii): Information Supporting the Monthly ROI

61							
62							
63	Opening RIV						N/A
64							
65							
66		Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
67	April						-
68	May						-
69	June						-
70	July						-
71	August						-
72	September						-
73	October						-
74	November						-
75	December						-
76	January						-
77	February						-
78	March						-
79	Total						-
80							
81	Tax payments						N/A
82							
83	Term credit spread differential allowance						N/A
84							
85	Closing RIV						N/A
86							
87							
88	Monthly ROI – comparable to a vanilla WACC						N/A
89							
90	Monthly ROI – comparable to a post tax WACC						N/A
91							

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

92		
93		
94	Year-end ROI – comparable to a vanilla WACC	5.82%
95		
96	Year-end ROI – comparable to a post tax WACC	5.03%
97		
98	* 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.	
99		

2(v): Financial Incentives and Wash-Ups

101		
102	Net recoverable costs allowed under incremental rolling incentive scheme	-
103	Purchased assets – avoided transmission charge	
104	Energy efficiency and demand incentive allowance	
105	Quality incentive adjustment	
106	Other financial incentives	
107	Financial incentives	-
108		
109	Impact of financial incentives on ROI	-
110		
111	Input methodology claw-back	
112	Recoverable customised price-quality path costs	
113	Catastrophic event allowance	
114	Capex wash-up adjustment	
115	Transmission asset wash-up adjustment	
116	2013–2015 NPV wash-up allowance	
117	Reconsideration event allowance	
118	Other wash-ups	
119	Wash-up costs	-
120		
121	Impact of wash-up costs on ROI	-



Company Name **Northpower Limited**
 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)
7	Income	
8	Line charge revenue	63,340
9	plus Gains / (losses) on asset disposals	-
10	plus Other regulated income (other than gains / (losses) on asset disposals)	439
11		
12	Total regulatory income	63,779
13	Expenses	
14	less Operational expenditure	15,728
15	less Pass-through and recoverable costs excluding financial incentives and wash-ups	21,002
16		
17	Operating surplus / (deficit)	27,049
18		
19	less Total depreciation	9,821
20	plus Total revaluations	202
21		
22	Regulatory profit / (loss) before tax	17,430
23		
24	less Term credit spread differential allowance	-
25	less Regulatory tax allowance	3,311
26		
27	Regulatory profit/(loss) including financial incentives and wash-ups	14,119
28		
29		
30		
31		
32		
33	3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups	(\$000)
34	Pass through costs	
35	Rates	61
36	Commerce Act levies	19
37	Industry levies	192
38	CPP specified pass through costs	
39	Recoverable costs excluding financial incentives and wash-ups	
40	Electricity lines service charge payable to Transpower	19,480
41	Transpower new investment contract charges	-
42	System operator services	-
43	Distributed generation allowance	-
44	Extended reserves allowance	-
45	Other recoverable costs excluding financial incentives and wash-ups	1,250
46	Pass-through and recoverable costs excluding financial incentives and wash-ups	21,002
47		

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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

		(\$000)	
		CY-1 31 Mar 14	CY 31 Mar 15
48	3(iii): Incremental Rolling Incentive Scheme		
49			
50			
51	Allowed controllable opex		
52	Actual controllable opex		
53			
54	Incremental change in year		
55			
		Previous years' incremental change	Previous years' incremental change adjusted for inflation
56			
57	CY-5 31 Mar 10		
58	CY-4 31 Mar 11		
59	CY-3 31 Mar 12		
60	CY-2 31 Mar 13		
61	CY-1 31 Mar 14		
62	Net incremental rolling incentive scheme		-
63			
64	Net recoverable costs allowed under incremental rolling incentive scheme		-
65	3(iv): Merger and Acquisition Expenditure		
66			(\$000)
67	Merger and acquisition expenditure		
68	<i>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)</i>		
69	3(v): Other Disclosures		
70			(\$000)
71	Self-insurance allowance		

Company Name **Northpower Limited**
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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 a 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 year ended				
	RAB 31 Mar 11 (\$'000)	RAB 31 Mar 12 (\$'000)	RAB 31 Mar 13 (\$'000)	RAB 31 Mar 14 (\$'000)	RAB 31 Mar 15 (\$'000)
4(i): Regulatory Asset Base Value (Rolled Forward)					
Total opening RAB value	213,178	273,506	278,670	232,435	241,237
less Total depreciation	9,432	8,274	8,548	8,712	9,821
plus Total revaluations	5,116	3,510	1,954	3,563	202
plus Assets commissioned	14,644	9,926	10,350	13,952	10,580
less Asset disposals	-	-	-	-	-
plus Lost and found assets adjustment	-	-	-	-	-
plus Adjustment resulting from asset allocation	-	-	-	-	(0)
Total closing RAB value	223,506	228,670	232,435	241,237	242,199

4(ii): Unallocated Regulatory Asset Base

	Unallocated RAB *		RAB	
	(\$'000)	(\$'000)	(\$'000)	(\$'000)
Total opening RAB value		241,237		241,237
less Total depreciation		9,821		9,821
plus Total revaluations		202		202
plus Assets commissioned (other than below)	994		994	
Assets acquired from a regulated supplier	-		-	
Assets acquired from a related party	9,587		9,587	
Assets commissioned		10,580		10,580
less Asset disposals (other than below)				
Asset disposals to a regulated supplier				
Asset disposals to a related party				
Asset disposals				
plus Lost and found assets adjustment				
plus Adjustment resulting from asset allocation				(0)
Total closing RAB value		242,199		242,199

* The 'unallocated RAB' is the total value of those assets used wholly or partially to provide electricity distribution services without any allowance being made for the allocation of costs to services provided by the supplier that are not electricity distribution services. The RAB value represents the value of these assets after applying this cost allocation. Neither value includes works under construction.

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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.

51	sch.ref	
52		
53		
54	CPI _t	1.193
55	CPI _{t-4}	1.192
56	Revaluation rate (%)	0.08%
57		
58		
59		
60	Total opening RAB value	241,237
61	less Opening value of fully depreciated, disposed and lost assets	805
62		
63	Total opening RAB value subject to revaluation	240,632
64	Total revaluations	202
65		
66		
67		
68		
69		
70		
71		
72		
73		
74		
75		

4(iii): Calculation of Revaluation Rate and Revaluation of Assets	
Unallocated RAB *	RAB
(\$'000)	(\$'000)
241,237	241,237
805	805
240,632	240,632
202	202

4(iv): Roll Forward of Works Under Construction	
Unallocated works under construction	Allocated works under construction
(\$'000)	(\$'000)
11,693	11,693
10,580	10,580
3,215	3,215
2,102	2,102
4.60%	4.60%



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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. ED&Bs 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.

4(v): Regulatory Depreciation

sch ref	Unallocated RAB * (\$000)	RAB (\$000)
76	9,821	9,821
77		
78		
79		
80		
81		
82		
83		
84		
85	9,821	9,821

4(vi): Disclosure of Changes to Depreciation Profiles

(\$000 unless otherwise specified)

Asset or assets with changes to depreciation*	Reason for non-standard depreciation (text entry)	Depreciation charge for the period (RAB)	Closing RAB value under 'non-standard' depreciation
86			
87			
88			
89			
90			
91			
92			
93			
94			
95			

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 and substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total
7,448	7,654	28,445	94,240	51,200	29,002	7,437	5,190	10,622	241,237
799	206	1,288	3,409	1,679	1,411	291	537	251	9,821
6	6	24	79	43	24	6	4	9	202
43	-	527	6,856	573	1,096	491	663	331	10,580
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
6,697	7,455	27,709	97,766	50,187	28,711	7,644	5,320	10,710	242,199

Asset Life	Weighted average remaining asset life	Weighted average expected total asset life
29.0	40.5	31.9
53.9	59.0	45.3
		58.8
		47.3
		29.8
		45.0
		37.2
		24.0
		10.4
		25.2
		30.1



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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 7.0

sch ref

7 5a(i): Regulatory Tax Allowance			(\$000)
8	Regulatory profit / (loss) before tax		17,430
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	2	
12	Amortisation of initial differences in asset values	4,536	
13	Amortisation of revaluations	695	
14			5,233
16	<i>less</i> Total revaluations	202	
17	Income included in regulatory profit / (loss) before tax but not taxable	-	
18	Discretionary discounts and customer rebates	4,194	
19	Expenditure or loss deductible but not in regulatory profit / (loss) before tax	-	
20	Notional deductible interest	6,442	
21			10,838
23	Regulatory taxable income		11,825
25	<i>less</i> Utilised tax losses	-	
26	Regulatory net taxable income		11,825
28	Corporate tax rate (%)	28%	
29	Regulatory tax allowance		3,311

* Workings to be provided in Schedule 14

5a(ii): Disclosure of Permanent Differences

In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).

34 5a(iii): Amortisation of Initial Difference in Asset Values			(\$000)
36	Opening unamortised initial differences in asset values	128,287	
37	<i>less</i> Amortisation of initial differences in asset values	4,536	
38	<i>plus</i> Adjustment for unamortised initial differences in assets acquired	-	
39	<i>less</i> Adjustment for unamortised initial differences in assets disposed	-	
40	Closing unamortised initial differences in asset values		123,751
42	Opening weighted average remaining useful life of relevant assets (years)		28



Company Name **Northpower Limited**
 For Year Ended **31 March 2015**

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 7.0

sch ref		(\$000)
44	5a(iv): Amortisation of Revaluations	(\$000)
45		
46	Opening sum of RAB values without revaluations	224,464
47		
48	Adjusted depreciation	9,126
49	Total depreciation	9,821
50	Amortisation of revaluations	695
51		
52	5a(v): Reconciliation of Tax Losses	(\$000)
53		
54	Opening tax losses	-
55	plus Current period tax losses	-
56	less Utilised tax losses	-
57	Closing tax losses	-
58	5a(vi): Calculation of Deferred Tax Balance	(\$000)
59		
60	Opening deferred tax	(3,822)
61		
62	plus Tax effect of adjusted depreciation	2,555
63		
64	less Tax effect of tax depreciation	2,067
65		
66	plus Tax effect of other temporary differences*	(72)
67		
68	less Tax effect of amortisation of initial differences in asset values	1,270
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	-
73		
74	plus Deferred tax cost allocation adjustment	0
75		
76	Closing deferred tax	(4,676)
77		
78	5a(vii): Disclosure of Temporary Differences	
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	5a(viii): Regulatory Tax Asset Base Roll-Forward	
82		(\$000)
83	Opening sum of regulatory tax asset values	83,351
84	less Tax depreciation	7,382
85	plus Regulatory tax asset value of assets commissioned	10,374
86	less Regulatory tax asset value of asset disposals	-
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	86,344

Company Name	Northpower Limited
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	9,739
Operational expenditure	9,587
Capital expenditure	
Market value of asset disposals	
Other related party transactions	

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

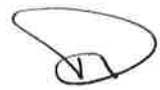
Name of related party	Related party relationship
Northpower Contracting Division	Division of Northpower, Supplier of electrical contracting services. Does not supply electricity distribution services.

* 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
Northpower Contracting Division	Opex	Distribution System Maintenance	8,106	ID clause 2.3.6(1)(c)(i)
Northpower Contracting Division	Opex	Management fee	1,633	ID clause 2.3.6(1)(c)(i)
Northpower Contracting Division	Capex	Construction of distribution system assets	9,587	IM clause 2.2.11(5)(b)(i)
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]

* include additional rows if needed



Company Name
Northpower Limited
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31 March 2015

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	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
7										
8										
9										
10										
11										
12										
13										
14										
15										
16										
17										

* 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	

Company Name **Northpower Limited**
 For Year Ended **31 March 2015**

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		Arm's length deduction	Value allocated (\$000s)		Total	OVABA allocation increase (\$000s)
			Electricity distribution services	Non-electricity distribution services		
7	5d(i): Operating Cost Allocations					
8						
9	Service interruptions and emergencies					
10	Directly attributable		3,163			
11	Not directly attributable					
12	Total attributable to regulated service		3,163			
13	Vegetation management					
14	Directly attributable		1,833			
15	Not directly attributable					
16	Total attributable to regulated service		1,833			
17	Routine and corrective maintenance and inspection					
18	Directly attributable		1,942			
19	Not directly attributable					
20	Total attributable to regulated service		1,942			
21	Asset replacement and renewal					
22	Directly attributable		2,328			
23	Not directly attributable					
24	Total attributable to regulated service		2,328			
25	System operations and network support					
26	Directly attributable		2,484			
27	Not directly attributable					
28	Total attributable to regulated service		2,484			
29	Business support					
30	Directly attributable		2,012			
31	Not directly attributable		1,965	11,623	13,588	
32	Total attributable to regulated service		3,978			
33	Operating costs directly attributable		13,762			
34	Operating costs not directly attributable		1,965	11,623	13,588	
35	Operational expenditure		15,728			
36						
37						
38						

Company Name
Northpower Limited
For Year Ended
31 March 2015

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(ii): Other Cost Allocations

Pass through and recoverable costs

Pass through costs

Directly attributable
Not directly attributable

Total attributable to regulated service

Recoverable costs

Directly attributable
Not directly attributable

Total attributable to regulated service

(\$'000)

272
272

20,730
20,730

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

Change in cost allocation 1

Cost category
Original allocator or line items
New allocator or line items

(\$'000)

	CY-1	Current Year (CY)
Corporate/ Executive Board (included in Bus. EBIT)	2,592	3,864
Revenue	840	892
Difference	1,752	2,973

Revenue is a more stable measure and reasonably reflects efforts spent by my senior management. Therefore we believe that revenue is a more appropriate basis of allocation as opposed to EBIT which is subject to volatility.

Rationale for change

Change in cost allocation 2

Cost category
Original allocator or line items
New allocator or line items

(\$'000)

	CY-1	Current Year (CY)
Original allocation		
New allocation		
Difference		

Rationale for change

Change in cost allocation 3

Cost category
Original allocator or line items
New allocator or line items

(\$'000)

	CY-1	Current Year (CY)
Original allocation		
New allocation		
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

Company Name **Northpower Limited**
 For Year Ended **31 March 2015**

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:

Se(i): Regulated Service Asset Values

	Value allocated (\$000s)
Electricity distribution services	
Subtransmission lines	
Directly attributable	6,388
Not directly attributable	308
Total attributable to regulated service	6,697
Subtransmission cables	
Directly attributable	7,455
Not directly attributable	
Total attributable to regulated service	7,455
Zone substations	
Directly attributable	27,709
Not directly attributable	
Total attributable to regulated service	27,709
Distribution and LV lines	
Directly attributable	94,161
Not directly attributable	3,605
Total attributable to regulated service	97,766
Distribution and LV cables	
Directly attributable	49,937
Not directly attributable	350
Total attributable to regulated service	50,187
Distribution substations and transformers	
Directly attributable	28,711
Not directly attributable	
Total attributable to regulated service	28,711
Distribution switchgear	
Directly attributable	7,644
Not directly attributable	
Total attributable to regulated service	7,644
Other network assets	
Directly attributable	5,320
Not directly attributable	
Total attributable to regulated service	5,320
Non-network assets	
Directly attributable	10,710
Not directly attributable	
Total attributable to regulated service	10,710
Regulated service asset value: directly attributable	238,036
Regulated service asset value not directly attributable	4,163
Total closing RAB value	242,199

Se(ii): Changes in Asset Allocations* †

			(\$000)	
			CY-1	Current Year (CY)
Change in asset value allocation 1				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
Change in asset value allocation 2				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
Change in asset value allocation 3				
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				

* 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

Company Name **Northpower Limited**
 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

	(\$000)	(\$000)
6a(i): Expenditure on Assets		
Consumer connection		1,769
System growth		311
Asset replacement and renewal		9,631
Asset relocations		50
Reliability, safety and environment:		
Quality of supply	843	
Legislative and regulatory	3	
Other reliability, safety and environment	312	
Total reliability, safety and environment		1,158
Expenditure on network assets		12,919
Expenditure on non-network assets		334
Expenditure on assets		13,253
plus Cost of financing		
less Value of capital contributions		1,864
plus Value of vested assets		304
Capital expenditure		11,693

	(\$000)
6a(ii): Subcomponents of Expenditure on Assets (where known)	
Energy efficiency and demand side management, reduction of energy losses	
Overhead to underground conversion	
Research and development	

	(\$000)	(\$000)
6a(iii): Consumer Connection		
<i>Consumer types defined by EDB*</i>		
All consumer types	921	
Industrial	848	
[EDB consumer type]		
[EDB consumer type]		
[EDB consumer type]		
<i>* include additional rows if needed</i>		
Consumer connection expenditure		1,769
less Capital contributions funding consumer connection expenditure		
Consumer connection less capital contributions		1,769

	System Growth (\$000)	Asset Replacement and Renewal (\$000)
6a(iv): System Growth and Asset Replacement and Renewal		
Subtransmission	-	1,528
Zone substations	6	427
Distribution and LV lines	84	6,781
Distribution and LV cables	98	297
Distribution substations and transformers	123	159
Distribution switchgear	-	439
Other network assets	-	-
System growth and asset replacement and renewal expenditure	311	9,631
less Capital contributions funding system growth and asset replacement and renewal		1,864
System growth and asset replacement and renewal less capital contributions	311	7,767

	(\$000)	(\$000)
6a(v): Asset Relocations		
<i>Project or programme*</i>		
Maungatapere substation asset relocation (minor works)	8	
Overhead line relocation (minor works)	9	
Overhead line relocation Western Hills drive (SH1 widening)	33	
[Description of material project or programme]		
[Description of material project or programme]		
<i>* include additional rows if needed</i>		
All other projects or programmes - asset relocations		
Asset relocations expenditure		50
less Capital contributions funding asset relocations		
Asset relocations less capital contributions		50



Company Name **Northpower Limited**
 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

68				
69	6a(vi): Quality of Supply			
70	<i>Project or programme*</i>		(\$000)	(\$000)
71	Minor capital expenditure		150	
72	Comms for remote control		236	
73	Dsub MDI meters		3	
74	Fault passage indicators		24	
	Dargaville town feeder rationalisation		420	
	Operational management system (control)		5	
75	11kV feeder backstopping improvements		5	
76	<i>* include additional rows if needed</i>			
77	All other projects programmes - quality of supply			
78	Quality of supply expenditure			843
79	<i>less</i> Capital contributions funding quality of supply			
80	Quality of supply less capital contributions			843
81	6a(vii): Legislative and Regulatory			
82	<i>Project or programme*</i>		(\$000)	(\$000)
83	Zone substation risk mitigation		3	
84	[Description of material project or programme]			
85	[Description of material project or programme]			
86	[Description of material project or programme]			
87	[Description of material project or programme]			
88	<i>* include additional rows if needed</i>			
89	All other projects or programmes - legislative and regulatory			
90	Legislative and regulatory expenditure			3
91	<i>less</i> Capital contributions funding legislative and regulatory			
92	Legislative and regulatory less capital contributions			3
93	6a(viii): Other Reliability, Safety and Environment			
94	<i>Project or programme*</i>		(\$000)	(\$000)
95	Zone substation security improvement		80	
96	Bream Bay - Ruakaka fibre link (SCADA and protection)		26	
97	VHF coverage improvement		16	
98	Fibre link to MTON		25	
	Improved distribution security		13	
	Digital UHF to Dargaville for SCADA		101	
	Research and development (component testing)		20	
	Onerahi SCADA from microwave to fibre		7	
99	Network strategic spare store		24	
100	<i>* include additional rows if needed</i>			
101	All other projects or programmes - other reliability, safety and environment			
102	Other reliability, safety and environment expenditure			312
103	<i>less</i> Capital contributions funding other reliability, safety and environment			
104	Other reliability, safety and environment less capital contributions			312
105				
106	6a(ix): Non-Network Assets			
107	Routine expenditure			
108	<i>Project or programme*</i>		(\$000)	(\$000)
109	CCTV cameras and meters		5	
110	Vehicles		198	
111	[Description of material project or programme]			
112	[Description of material project or programme]			
113	[Description of material project or programme]			
114	<i>* include additional rows if needed</i>			
115	All other projects or programmes - routine expenditure			
116	Routine expenditure			203
117	Atypical expenditure			
118	<i>Project or programme*</i>		(\$000)	(\$000)
119	Avalanche Scada System (Outage Management System)		105	
120	Containers (Network Strategic Spares Store)		18	
121	Maungatapere stairway (Maungatapere GXP asset transfer)		8	
122	[Description of material project or programme]			
123	[Description of material project or programme]			
124	<i>* include additional rows if needed</i>			
125	All other projects or programmes - atypical expenditure			
126	Atypical expenditure			131
127				
128	Expenditure on non-network assets			334

Company Name

Northpower Limited

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



Company Name	Northpower Limited
For Year Ended	31 March 2015

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

6b(i): Operational Expenditure

	(\$000)	(\$000)
7		
8	3,163	
9	1,833	
10	1,942	
11	2,328	
12		9,266
13	2,484	
14	3,978	
15		6,462
16		
17		15,728

6b(ii): Subcomponents of Operational Expenditure (where known)

18	Energy efficiency and demand side management, reduction of energy losses	
19	Direct billing*	
20	Research and development	43
21	Insurance	96
22		
23		

* Direct billing expenditure by suppliers that directly bill the majority of their consumers

Company Name **Northpower Limited**For Year Ended **31 March 2015****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(i): Revenue		Target (\$000) ¹	Actual (\$000)	% variance
7	Line charge revenue	62,941	63,340	1%
7(ii): Expenditure on Assets		Forecast (\$000) ²	Actual (\$000)	% variance
9	Consumer connection	852	1,769	108%
10	System growth	746	311	(58%)
11	Asset replacement and renewal	9,927	9,631	(3%)
12	Asset relocations	150	50	(67%)
13	Reliability, safety and environment:			
14	Quality of supply	795	843	6%
15	Legislative and regulatory	250	3	(99%)
16	Other reliability, safety and environment	830	312	(62%)
17	Total reliability, safety and environment	1,875	1,158	(38%)
18	Expenditure on network assets	13,550	12,919	(5%)
19	Expenditure on non-network assets	845	334	(60%)
20	Expenditure on assets	14,395	13,253	(8%)
21				
7(iii): Operational Expenditure				
22	Service interruptions and emergencies	1,587	3,163	99%
23	Vegetation management	1,668	1,833	10%
24	Routine and corrective maintenance and inspection	2,643	1,942	(27%)
25	Asset replacement and renewal	2,251	2,328	3%
26	Network opex	8,149	9,266	14%
27	System operations and network support	2,859	2,484	(13%)
28	Business support	5,529	3,978	(28%)
29	Non-network opex	8,388	6,462	(23%)
30	Operational expenditure	16,537	15,728	(5%)
31				
7(iv): Subcomponents of Expenditure on Assets (where known)				
32	Energy efficiency and demand side management, reduction of energy losses	-	-	-
33	Overhead to underground conversion	-	-	-
34	Research and development	52	-	(100%)
35				
36				
7(v): Subcomponents of Operational Expenditure (where known)				
37	Energy efficiency and demand side management, reduction of energy losses	-	-	-
38	Direct billing	-	-	-
39	Research and development	103	43	(58%)
40	Insurance	108	96	(11%)
41				
42				

1 From the nominal dollar target revenue for the disclosure year disclosed under clause 2.4.3(3) of this determination

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)



Northpower Limited
31 March 2015

Company Name
For Year Ended
Network / Sub-Network Name

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

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EOI 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.

Line number	Consumer group name or price category code	Consumer type or types (eg residential, commercial etc)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue for standard consumer discounts (if applicable)	Total transmission line charge revenue (if available)	Line charge revenues (\$'000) by price component ¹					Total for all consumers	
							Maxi Market Supply Charge \$/day	Maxi Market Variable Charge \$/MWh	Commercial and Industrial Monthly charge \$/month	Commercial and Industrial Demand charge \$/kVA/month	Very Large Industrial Distribution component \$/month		Very Large Industrial Transmission Component \$/MWh/month
36	Maxi Market			552,571		552,571	54,784	545,787					
37	Commercial and Industrial			55,958		55,958							
38	Very Large Industrial			58,811		58,811							
39				-		-							
40				-		-							
41				-		-							
42				-		-							
43				-		-							
44				-		-							
45				-		-							
46				-		-							
47				554,529		554,529							
48				58,811		58,811							
49				563,340		563,340							
50				-		-							
51				-		-							
52				-		-							
53				-		-							

8(iii) Number of ICPS directly billed
Number of directly billed ICPS at year end

	4	6
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Company Name	Northpower Limited
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	Voltage	Asset category	Asset class	Units	Items at start of	Items at end of	Net change	Data accuracy
					year (quantity)	year (quantity)		(1-4)
8	All	Overhead Line	Concrete poles / steel structure	No.	53,791	52,719	(1,072)	3
9	All	Overhead Line	Wood poles	No.	1,168	1,597	429	2
10	All	Overhead Line	Other pole types	No.	3	3	-	3
11	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	293	293	0	4
12	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	4
13	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	8	10	2	4
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	8	8	0	4
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	4
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	3	3	(0)	4
17	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	4
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	4
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas pressurised)	km	-	-	-	4
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	4
21	HV	Subtransmission Cable	Subtransmission submarine cable	km	1	1	(0)	4
22	HV	Zone substation Buildings	Zone substations up to 66kV	No.	21	21	-	4
23	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	4
24	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	4
25	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	6	6	-	4
26	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	9	9	-	4
27	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	169	169	-	2
28	HV	Zone substation switchgear	33kV RMU	No.	4	4	-	4
29	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	25	27	2	4
30	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	59	59	-	4
31	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	145	146	1	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	4
33	HV	Zone Substation Transformer	Zone Substation Transformers	No.	46	46	-	4
34	HV	Distribution Line	Distribution OH Open Wire Conductor	km	3,496	3,498	2	4
35	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	4
36	HV	Distribution Line	SWER conductor	km	-	-	-	4
37	HV	Distribution Cable	Distribution UG XLPE or PVC	km	210	215	5	4
38	HV	Distribution Cable	Distribution UG PILC	km	35	35	(0)	3
39	HV	Distribution Cable	Distribution Submarine Cable	km	2	2	(0)	4
40	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	30	31	1	4
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	-	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	8,185	8,209	24	3
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	29	29	-	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	173	177	4	4
45	HV	Distribution Transformer	Pole Mounted Transformer	No.	5,743	5,779	36	4
46	HV	Distribution Transformer	Ground Mounted Transformer	No.	1,320	1,336	16	4
47	HV	Distribution Transformer	Voltage regulators	No.	4	4	-	3
48	HV	Distribution Substations	Ground Mounted Substation Housing	No.	117	117	-	2
49	LV	LV Line	LV OH Conductor	km	1,202	1,202	(0)	3
50	LV	LV Cable	LV UG Cable	km	614	628	14	3
51	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	387	391	4	3
52	LV	Connections	OH/UG consumer service connections	No.	56,006	56,485	479	4
53	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	349	353	4	3
54	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	2	1	4
55	All	Capacitor Banks	Capacitors including controls	No.	28	28	-	3
56	All	Load Control	Centralised plant	Lot	6	6	-	4
57	All	Load Control	Relays	No.	31,438	32,503	1,064	1
58	All	Civils	Cable Tunnels	km	-	-	-	N/A



Company Name	Northpower Limited
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

9				
10	Circuit length by operating voltage (at year end)	Overhead (km)	Underground (km)	Total circuit length (km)
11	> 66kV			—
12	50kV & 66kV	75		75
13	33kV	218	22	240
14	SWER (all SWER voltages)			—
15	22kV (other than SWER)			—
16	6.6kV to 11kV (inclusive—other than SWER)	3,498	251	3,749
17	Low voltage (< 1kV)	1,202	628	1,830
18	Total circuit length (for supply)	4,993	901	5,894
19				
20	Dedicated street lighting circuit length (km)	177	214	391
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)			113
22				
23	Overhead circuit length by terrain (at year end)	(% of total circuit length)		
24	Urban	655		13%
25	Rural	4,338		87%
26	Remote only			—
27	Rugged only			—
28	Remote and rugged			—
29	Unallocated overhead lines			—
30	Total overhead length	4,993		100%
31				
32		(% of total circuit length)		
33	Length of circuit within 10km of coastline or geothermal areas (where known)	3,381		57%
34		(% of total overhead length)		
35	Overhead circuit requiring vegetation management	3,791		76%



Company Name **Northpower Limited**
 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			

* 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	Northpower Limited
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

8	9e(i): Consumer Connections		
9	Number of ICPs connected in year by consumer type		
10	<i>Consumer types defined by EDB*</i>	Number of connections (ICPs)	
11	Mass Market new ICPs	622	
12	Commercial and Industrial new ICPs	1	
13	Very Large Industrial new ICPs	-	
14	[EDB consumer type]		
15	[EDB consumer type]		
16	* include additional rows if needed		
17	Connections total	623	
18			
19	Distributed generation		
20	Number of connections made in year	82	connections
21	Capacity of distributed generation installed in year	0.54	MVA
22	9e(ii): System Demand		
23			
24		Demand at time of maximum coincident demand (MW)	
25	Maximum coincident system demand		
26	GXP demand	155	
27	plus Distributed generation output at HV and above	7	
28	Maximum coincident system demand	162	
29	less Net transfers to (from) other EDBs at HV and above	-	
30	Demand on system for supply to consumers' connection points	162	
31	Electricity volumes carried	Energy (GWh)	
32	Electricity supplied from GXPs	1,013	
33	less Electricity exports to GXPs	-	
34	plus Electricity supplied from distributed generation	22	
35	less Net electricity supplied to (from) other EDBs	-	
36	Electricity entering system for supply to consumers' connection points	1,035	
37	less Total energy delivered to ICPs	993	
38	Electricity losses (loss ratio)	42	4.1%
39			
40	Load factor	0.73	
41	9e(iii): Transformer Capacity		
42		(MVA)	
43	Distribution transformer capacity (EDB owned)	532	
44	Distribution transformer capacity (Non-EDB owned, estimated)	3	
45	Total distribution transformer capacity	535	
46			
47	Zone substation transformer capacity	319	



Company Name	Northpower Limited
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.

sch ref

8	10(i): Interruptions		
9	Interruptions by class	Number of interruptions	
10	Class A (planned interruptions by Transpower)		
11	Class B (planned interruptions on the network)	396	
12	Class C (unplanned interruptions on the network)	469	
13	Class D (unplanned interruptions by Transpower)		
14	Class E (unplanned interruptions of EDB owned generation)		
15	Class F (unplanned interruptions of generation owned by others)		
16	Class G (unplanned interruptions caused by another disclosing entity)		
17	Class H (planned interruptions caused by another disclosing entity)		
18	Class I (interruptions caused by parties not included above)		
19	Total	865	
20			
21	Interruption restoration	≤3Hrs	>3hrs
22	Class C interruptions restored within	323	146
23			
24	SAIFI and SAIDI by class	SAIFI	SAIDI
25	Class A (planned interruptions by Transpower)		
26	Class B (planned interruptions on the network)	0.25	69.4
27	Class C (unplanned interruptions on the network)	3.33	310.2
28	Class D (unplanned interruptions by Transpower)		
29	Class E (unplanned interruptions of EDB owned generation)		
30	Class F (unplanned interruptions of generation owned by others)		
31	Class G (unplanned interruptions caused by another disclosing entity)		
32	Class H (planned interruptions caused by another disclosing entity)		
33	Class I (Interruptions caused by parties not included above)		
34	Total	3.59	379.6
35			
36	Normalised SAIFI and SAIDI	Normalised SAIFI	Normalised SAIDI
37	Classes B & C (interruptions on the network)	3.55	203.5
38			
39	Quality path normalised reliability limit	SAIFI reliability limit	SAIDI reliability limit
40	SAIFI and SAIDI limits applicable to disclosure year*		
41	* not applicable to exempt EDBs		



Company Name	Northpower Limited
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.

42 **10(ii): Class C Interruptions and Duration by Cause**

44 Cause	SAIFI	SAIDI
45 Lightning	0.03	1.4
46 Vegetation	0.36	28.4
47 Adverse weather	0.75	180.4
48 Adverse environment	0.04	1.2
49 Third party interference	0.20	18.0
50 Wildlife	0.24	10.6
51 Human error	0.06	0.9
52 Defective equipment	0.52	30.1
53 Cause unknown	1.13	39.0

55 **10(iii): Class B Interruptions and Duration by Main Equipment Involved**

57 Main equipment involved	SAIFI	SAIDI
58 Subtransmission lines		
59 Subtransmission cables		
60 Subtransmission other		
61 Distribution lines (excluding LV)	0.23	63.4
62 Distribution cables (excluding LV)	0.02	6.0
63 Distribution other (excluding LV)		

64 **10(iv): Class C Interruptions and Duration by Main Equipment Involved**

66 Main equipment involved	SAIFI	SAIDI
67 Subtransmission lines	0.69	24.2
68 Subtransmission cables		
69 Subtransmission other		
70 Distribution lines (excluding LV)	2.61	285.0
71 Distribution cables (excluding LV)	0.03	1.0
72 Distribution other (excluding LV)		

73 **10(v): Fault Rate**

74 Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
75 Subtransmission lines	24	293	8.19
76 Subtransmission cables		22	-
77 Subtransmission other			
78 Distribution lines (excluding LV)	449	3,498	12.84
79 Distribution cables (excluding LV)	7	251	2.78
80 Distribution other (excluding LV)			
81 Total	480		





**EDB Information Disclosure Requirements
Information Templates
for
Schedules 5f & 5g**

Company Name	Northpower Limited
Disclosure Date	31 August 2015
Disclosure Year (year ended)	31 March 2015

Templates for Schedules 5f & 5g
Template Version 4.1. Prepared 24 March 2015



Table of Contents

Schedule	Schedule name
5f	<u>REPORT SUPPORTING COST ALLOCATIONS</u>
5g	<u>REPORT SUPPORTING ASSET ALLOCATIONS</u>



Company Name **Northpower Limited**
 For Year Ended **31 March 2015**

SCHEDULE 5f: REPORT SUPPORTING COST ALLOCATIONS

This schedule requires additional detail on the asset allocation methodology applied in allocating asset values that are not directly attributable, to support the information provided in Schedule 5d (Cost allocations). This schedule is not required to be publicly disclosed, but must be disclosed to the Commission.
 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

Have costs been allocated in aggregate using ACAM in accordance with clause 2.4.1(3) of the IM Determination?

Line item*	Allocation methodology type	Cost allocator	Allocator type	Allocator Metric (%)		Value allocated (\$000)			OVABAA allocation increase (\$000)
				Electricity distribution services	Non-electricity distribution services	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	
Service interruptions and emergencies									
12	Insert cost description								
13	e.g. ABAA	Allocator 1	[Select one]						
14	e.g. ABAA	Allocator 2	[Select one]						
15	Insert cost description								
16	e.g. ABAA	Allocator 3	[Select one]						
17	Insert cost description								
17	e.g. ABAA	Allocator 4	[Select one]						
Not directly attributable									
Vegetation management									
18	Insert cost description								
19	e.g. ABAA	Allocator 1	[Select one]						
20	Insert cost description								
21	e.g. ABAA	Allocator 2	[Select one]						
22	Insert cost description								
23	e.g. ABAA	Allocator 3	[Select one]						
23	Insert cost description								
23	e.g. ABAA	Allocator 4	[Select one]						
Not directly attributable									
Routine and corrective maintenance and inspection									
24	Insert cost description								
25	e.g. ABAA	Allocator 1	[Select one]						
26	Insert cost description								
27	e.g. ABAA	Allocator 2	[Select one]						
28	Insert cost description								
29	e.g. ABAA	Allocator 3	[Select one]						
29	Insert cost description								
29	e.g. ABAA	Allocator 4	[Select one]						
Not directly attributable									
Asset replacement and renewal									
30	Insert cost description								
31	e.g. ABAA	Allocator 1	[Select one]						
32	Insert cost description								
33	e.g. ABAA	Allocator 2	[Select one]						
34	Insert cost description								
35	e.g. ABAA	Allocator 3	[Select one]						
36	Insert cost description								
36	e.g. ABAA	Allocator 4	[Select one]						
Not directly attributable									

Company Name
Northpower Limited
 For Year Ended
31 March 2015

SCHEDULE 5f: REPORT SUPPORTING COST ALLOCATIONS

This schedule requires additional detail on the asset allocation methodology applied in allocating asset values that are not directly attributable, to support the information provided in Schedule 5g (Cost allocations). This schedule is not required to be publicly disclosed, but must be disclosed to the Commission.
 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	Insert cost description	e.g. ABAA	Allocator 1	[Select one]						
37	System operations and network support									
38	Insert cost description	e.g. ABAA	Allocator 1	[Select one]						
39	Insert cost description	e.g. ABAA	Allocator 2	[Select one]						
40	Insert cost description	e.g. ABAA	Allocator 3	[Select one]						
41	Insert cost description	e.g. ABAA	Allocator 4	[Select one]						
42	Not directly attributable									
43	Business support									
44	Human Resources	ABAA	Headcount	Proxy	3.41%	82	2,323	96.59%		2,405
45	Information Technology	ABAA	Number of terminal	Proxy	9.14%	478	4,748	90.86%		5,225
46	Finance	ABAA	Revenue	Proxy	23.08%	372	1,241	76.92%		1,614
47	Rent	ABAA	Floor space	Causal	29.50%	142	338	70.50%		480
48	Corporate/ Executive Board	ABAA	Revenue	Proxy	23.08%	892	2,973	76.92%		3,864
49	Not directly attributable					1,965	11,623			13,588
50	Operating costs not directly attributable					1,965	11,623			13,588
51										
52	Pass through and recoverable costs									
53	Pass through costs									
54	Insert cost description	e.g. ABAA	Allocator 1	[Select one]						
55	Insert cost description	e.g. ABAA	Allocator 2	[Select one]						
56	Insert cost description	e.g. ABAA	Allocator 3	[Select one]						
57	Insert cost description	e.g. ABAA	Allocator 4	[Select one]						
58	Not directly attributable									
59	Recoverable costs									
60	Insert cost description	e.g. ABAA	Allocator 1	[Select one]						
61	Insert cost description	e.g. ABAA	Allocator 2	[Select one]						
62	Insert cost description	e.g. ABAA	Allocator 3	[Select one]						
63	Insert cost description	e.g. ABAA	Allocator 4	[Select one]						
64	Not directly attributable									
65	* include additional rows if needed									

Company Name
For Year Ended

Northpower Limited
31 March 2015

SCHEDULE 5g: REPORT SUPPORTING ASSET ALLOCATIONS

This schedule requires additional detail on the asset allocation methodology applied in allocating asset values that are not directly attributable, to support the information provided in Schedule 5e (Report on Asset Allocations). This schedule is not required to be publicly disclosed, but must be disclosed to the Commission.
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

8

9

Have assets been allocated in aggregate using ACAM in accordance with clause 2.1.1(3) of the IMV Determination?

Yes

Line Item*	Allocation methodology type	Allocator	Allocator type	Allocator Metric (%)		Value allocated (\$000)			OIVABAA allocation increase (\$000)
				Electricity distribution services	Non-electricity distribution services	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	
Subtransmission lines									
12	Poles	ACAM	Allocator 1	[Select one]	100.00%		308		308
13	Insert asset description	e.g. ABAA	Allocator 2	[Select one]					
14	Insert asset description	e.g. ABAA	Allocator 3	[Select one]					
15	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
16	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
17	Not directly attributable						308		308
Subtransmission cables									
18	Insert asset description	e.g. ABAA	Allocator 1	[Select one]					
19	Insert asset description	e.g. ABAA	Allocator 2	[Select one]					
20	Insert asset description	e.g. ABAA	Allocator 3	[Select one]					
21	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
22	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
23	Not directly attributable								
Zone substations									
24	Insert asset description	e.g. ABAA	Allocator 1	[Select one]					
25	Insert asset description	e.g. ABAA	Allocator 2	[Select one]					
26	Insert asset description	e.g. ABAA	Allocator 3	[Select one]					
27	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
28	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
29	Not directly attributable								
Distribution and LV lines									
30	Poles	ACAM	Allocator 1	[Select one]	100.00%		3,605		3,605
31	Insert asset description	e.g. ABAA	Allocator 2	[Select one]					
32	Insert asset description	e.g. ABAA	Allocator 3	[Select one]					
33	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
34	Insert asset description	e.g. ABAA	Allocator 4	[Select one]					
35	Not directly attributable						3,605		3,605

Company Name
Northpower Limited
 For Year Ended
31 March 2015

SCHEDULE 5g: REPORT SUPPORTING ASSET ALLOCATIONS

This schedule requires additional detail on the asset allocation methodology applied in allocating asset values that are not directly attributable, to support the information provided in Schedule 5e (Report on Asset Allocations). This schedule is not required to be publicly disclosed, but it must be disclosed to the Commission.
 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		ACAM	Locator 1	[Select one]	100.00%	250	250	
36	Ducts and LV cables							
37	Insert asset description	e.g. ABAA	Locator 2	[Select one]				
38	Insert asset description	e.g. ABAA	Locator 3	[Select one]				
39	Insert asset description	e.g. ABAA	Locator 4	[Select one]				
40	Insert asset description							
41	Not directly attributable							
42						250	250	
43	Distribution substations and transformers							
44	Insert asset description	e.g. ABAA	Locator 1	[Select one]				
45	Insert asset description	e.g. ABAA	Locator 2	[Select one]				
46	Insert asset description	e.g. ABAA	Locator 3	[Select one]				
47	Insert asset description	e.g. ABAA	Locator 4	[Select one]				
48	Not directly attributable							
49								
50	Distribution switchgear							
51	Insert asset description	e.g. ABAA	Locator 1	[Select one]				
52	Insert asset description	e.g. ABAA	Locator 2	[Select one]				
53	Insert asset description	e.g. ABAA	Locator 3	[Select one]				
54	Insert asset description	e.g. ABAA	Locator 4	[Select one]				
55	Not directly attributable							
56								
57	Other network assets							
58	Insert asset description	e.g. ABAA	Locator 1	[Select one]				
59	Insert asset description	e.g. ABAA	Locator 2	[Select one]				
60	Insert asset description	e.g. ABAA	Locator 3	[Select one]				
61	Insert asset description	e.g. ABAA	Locator 4	[Select one]				
62	Not directly attributable							
63								
64	Non-network assets							
65	Insert asset description	e.g. ABAA	Locator 1	[Select one]				
66	Insert asset description	e.g. ABAA	Locator 2	[Select one]				
67	Insert asset description	e.g. ABAA	Locator 3	[Select one]				
68	Insert asset description	e.g. ABAA	Locator 4	[Select one]				
69	Not directly attributable							
70						4,163	4,163	

Regulated service asset value not directly attributable

* Include additional rows if needed





Worksheet to calculate Table 2(i) prior year ROIs for the 2015 EDB year end Disclosure

Overview

This worksheet is designed to assist suppliers in calculating the prior year return on investment disclosures (prior year ROIs) for the 2015 year end disclosure. Clause 2.13.5 of the EDB information disclosure determination requires the prior year ROIs, disclosed in table 2(i) of Schedule 2 for the disclosure years 2015 and 2016, must be calculated in accordance with the 2015 amendment to the EDB information disclosure determination.

The worksheet assists suppliers to calculate the required prior year ROIs using information that, in most cases, has been previously disclosed by suppliers. The prior year ROIs, calculated in this spreadsheet, must be disclosed in table 2(i) of Schedule 2 in the supplier's 2015 and 2016 disclosures.

This worksheet is not required for the 2016 disclosure because the 2016 prior ROIs disclosure can use the ROI information disclosed in 2015.

Description

The prior year ROIs calculated by this worksheet are:

- (1) ROI – comparable to a post tax WACC reflecting all revenue earned;
- (2) ROI – comparable to a post tax WACC excluding revenue earned from financial incentives;
- (3) ROI – comparable to a post tax WACC excluding revenue earned from financial incentives and wash-ups;
- (4) ROI – comparable to a vanilla WACC reflecting all revenue earned;
- (5) ROI – comparable to a vanilla WACC excluding revenue earned from financial incentives; and
- (6) ROI – comparable to a vanilla WACC excluding revenue earned from financial incentives and wash-ups.

The above calculated prior year ROIs must be included in the relevant years of table 2(i) in Schedule 2 of the suppliers 2015 and 2016 disclosures.

Instructions

All values entered into the unshaded entry cells of the workbook must be copied from the schedules previously disclosed in accordance with the EDB information disclosure determination, with the following exceptions:

- Where an exempt EDB has, in the 2013 and 2014 disclosures, elected to not disclose the breakdown of pass-through and recoverable costs—the pass-through and recoverable costs, financial incentive and wash-up disclosures in this worksheet must be the values used to calculate the total pass-through and recoverable costs disclosure.

- 'Purchased assets – avoided transmission charge' and 'Distributed generation allowance' information must be determined based on the definitions amended by the 2015 amendment to the EDB information disclosure determination. The total of the two disclosures should equal to the previously disclosed 'avoided transmission charge' value. For exempt EDBs that had not previously disclosed the breakdown of pass-through and recoverable costs the disclosures should equal the 'avoided transmission charge' value used to calculate the total pass-through and recoverable costs

- 'Income included in regulatory profit / (loss) before tax but not taxable' must exclude revaluations.

- If a supplier is required to or chooses to correct any information that is an input to this worksheet (other than above) this must be done in accordance with the error disclosure provisions of the EDB information disclosure determination (clause 2.12.1 or 2.12.2).

This worksheet is not required to be publicly disclosed. Suppliers may, however, choose to make this worksheet available for consideration by the Commission.



WORKSHEET: CALCULATION OF PRIOR YEAR RETURN ON INVESTMENT DISCLOSURES

A: Return on Investment

	2013	2014	Notes
Date of year end	31-Mar-13	31-Mar-14	
	%	%	
ROI – comparable to a post tax WACC			
Reflecting all revenue earned	5.80%	5.23%	Calculated
Excluding revenue earned from financial incentives	5.80%	5.23%	Calculated
Excluding revenue earned from financial incentives and wash-ups	5.80%	5.23%	Calculated
ROI – comparable to a vanilla WACC			
Reflecting all revenue earned	6.57%	5.92%	Calculated
Excluding revenue earned from financial incentives	6.57%	5.92%	Calculated
Excluding revenue earned from financial incentives and wash-ups	6.57%	5.92%	Calculated

B: Information Supporting the ROI

	(\$000)	(\$000)	
Total opening RAB value	228,670	232,435	1
<i>plus</i> Opening deferred tax	(1,800)	(2,737)	1
Opening RIV	226,870	229,698	Calculated
Line charge revenue	58,390	59,953	Calculated
Expenses cash outflow	34,613	39,645	Calculated
<i>add</i> Assets commissioned	10,350	13,952	1
<i>less</i> Asset disposals	–	–	1
<i>add</i> Tax payments	1,839	912	Calculated
<i>less</i> Other regulated income	466	580	Calculated
Mid-year net cash outflows	46,336	53,929	Calculated
Term credit spread differential allowance	–	–	Calculated
Total closing RAB value	232,435	241,237	1
<i>less</i> Adjustment resulting from asset allocation	–	–	1
<i>less</i> Lost and found assets adjustment	–	–	1
<i>plus</i> Closing deferred tax	(2,737)	(3,822)	1
Closing RIV	229,698	237,415	Calculated
ROI – comparable to a vanilla WACC	6.57%	5.92%	Calculated
Leverage (%)	44%	44%	Standard value
Cost of debt assumption (%)	6.31%	5.56%	Standard value
Corporate tax rate (%)	28%	28%	Standard value
ROI – comparable to a post tax WACC	5.80%	5.23%	Calculated

C: Financial Incentives and Wash-Ups

	(\$000)	(\$000)	
Net recoverable costs allowed under incremental rolling incentive scheme	–	–	3
Purchased assets – avoided transmission charge	–	–	2
Financial incentives	–	–	Calculated
Input methodology claw-back	–	–	3
Recoverable customised price-quality path costs	–	–	3
Wash-up costs	–	–	Calculated



WORKSHEET: CALCULATION OF PRIOR YEAR RETURN ON INVESTMENT DISCLOSURES**D: Regulatory Profit**

	(\$000)	(\$000)	
Income			
Line charge revenue	58,390	59,953	3
<i>plus</i> Gains / (losses) on asset disposals			3
<i>plus</i> Other regulated income (other than gains / (losses) on asset disposals)	466	580	3
Total regulatory income	58,856	60,533	Calculated
Expenses			
<i>less</i> Operational expenditure	15,276	16,149	3
<i>less</i> Pass-through and recoverable costs excluding financial incentives and wash-ups	19,337	23,496	Calculated
Operating surplus / (deficit)	24,243	20,888	Calculated
<i>less</i> Total depreciation	8,549	8,712	3
<i>plus</i> Total revaluations	1,964	3,563	3
Regulatory profit / (loss) before tax	17,658	15,739	Calculated
<i>less</i> Term credit spread differential allowance	-	-	3
<i>less</i> Regulatory tax allowance	2,776	1,997	Calculated
Regulatory profit/(loss) including financial incentives and wash-ups	14,882	13,742	Calculated

E: Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups

	(\$000)	(\$000)	
Pass through costs			
Rates	53	59	3
Commerce Act levies	59	19	3
Industry levies	179	120	4
CPP specified pass through costs	-	-	5
Recoverable costs excluding financial incentives and wash-ups			
Electricity lines service charge payable to Transpower	17,962	17,711	6
Transpower new investment contract charges	75	4,563	3
System operator services	1,009	1,024	3
Distributed generation allowance	-	-	7
Pass-through and recoverable costs excluding financial incentives and wash-ups	19,337	23,496	Calculated

F: Regulatory Tax Allowance

	(\$000)	(\$000)	
Regulatory profit / (loss) before tax	17,658	15,739	Calculated
<i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable			8
Expenditure or loss in regulatory profit / (loss) before tax but not deductible	-	2	8
Amortisation of initial differences in asset values	4,536	4,536	8
Amortisation of revaluations	498	563	8
	5,034	5,101	Calculated
<i>less</i> Total revaluations	1,964	3,563	Calculated
Income included in regulatory profit / (loss) before tax but not taxable			9
Discretionary discounts and customer rebates	4,706	4,676	8
Expenditure or loss deductible but not in regulatory profit / (loss) before tax			8
Notional deductible interest	6,109	5,469	Calculated
	12,779	13,708	Calculated
Regulatory taxable income	9,913	7,132	Calculated
<i>less</i> Utilised tax losses	-	-	8
Regulatory net taxable income	9,913	7,132	Calculated
Corporate tax rate (%)	28%	28%	Standard value
Regulatory tax allowance	2,776	1,997	Calculated



WORKSHEET: CALCULATION OF PRIOR YEAR RETURN ON INVESTMENT DISCLOSURES

Notes Reference

Calculated	Internally calculated value or link
Standard value	A disclosure that is standard across suppliers
1	Insert disclosure from Schedule 2 of the relevant year
2	Insert the portion of 'avoided transmission charge' disclosure from Schedule 3 of the relevant year that meets the new definition of 'purchased assets - avoided transmission charge'
3	Insert disclosure from Schedule 3 of the relevant year
4	Insert 'Electricity authority levies' disclosure from Schedule 3 of the relevant year
5	Insert 'Other specified pass-through costs' disclosure from Schedule 3 of the relevant year
6	Insert 'Non-exempt EDB electricity lines service charge payable to Transpower' disclosure from Schedule 3 of the relevant year
7	Insert the portion of 'avoided transmission charge' disclosure from Schedule 3 of the relevant year that meets the new definition of 'distributed generation allowance'
8	Insert disclosure from Schedule 5a of the relevant year
9	Insert disclosure from Schedule 5a of the relevant year but exclude revaluations if they were included in the disclosed value

Company Name Northpower 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

The calculated post tax WACC and vanilla WACC for the disclosure year was 5.19% and 5.97%, respectively. The calculated return on investment was within the range of post-tax WACC and vanilla WACC as determined by the Commission.

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

Other regulatory line income amounting to \$439k relates to value added work on charged to customers.

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

Not applicable – there were no incurred merger and acquisitions expenditures 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)

- The RAB rollforward in Schedule 4 is determined in accordance with the requirements per IM.
- There are no reclassifications made.

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

Discretionary discounts and rebates – not included in regulatory profit calculation however this was considered deductible for tax purposes.

Entertainment expense not deductible for tax purposes.

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)

Other temporary differences in 5a(vi) of Schedule 5a represent expenditure capitalised in RAB but treated as deductible expenditure for tax purposes.

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

Related party transactions disclosed on schedule 5b all relate to services provided by Northpower Contracting division to the EDB. These include:

- Construction of distribution system assets recognised as capital expenditure which were provided in accordance with formal Service Level agreement.
- Distribution system maintenance, management fee, and other services which are recognised as operating expenditure are provided in accordance with Service Level Agreement.

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

We have applied the accounting-based allocation approach (ABAA) in respect of allocating operating costs not directly attributable.

There are no items reclassified.

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

We have used avoidable cost allocation methodology (ACAM) in respect of allocating regulated service asset valued not directly attributable which consists of poles and ducts shared by both the EDB and the unregulated fibre business. We have determined ACAM as an appropriate allocation methodology as the total value of regulated service asset values not directly attributable less any arms-length deductions is less than 10% of the aggregate unallocated closing RAB value in accordance with clauses 2.2.2 (4)(b) of the IM.

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

Projects and programmes as stated in schedule 6a were very specific and adequately describe the nature of the projects and programmes.



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

- Asset replacement and renewal operating expenditure relate to work done to make good on defects identified during scheduled preventive maintenance inspections.
- There are no reclassified items to report.
- No material atypical expenditure included in the operational expenditure.

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

- Overall, actual capital expenditure on network assets was 5% higher than the target capital expenditure. Consumer connections expenditure was higher than forecast due to unforeseen costs relating to introduction of capacity charge which is part of transformer acquisition expenditure. System growth was lower than forecast due to deferral of implementation of planned projects. Reliability, safety and environment costs was lower in FY 15 due to timing (or deferral) of implementation of the relevant projects planned for the year.
- Overall, actual network operating expenditure was 14% higher than the forecast. Higher network opex costs were mainly driven by increase in costs relating service interruptions and emergencies which is due to severe winter weather in 2014. This was offset by reduced spend in routine and corrective maintenance and inspection.



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

Target revenue disclosed before the start of the year was lower (1%) than the total billed line charge revenue for the disclosure year. No material movement between target revenue and total billed line charge revenue noted.

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

SAIFI for the disclosure year was measured at 3.597 interruptions per customer.

The target for planned and unplanned interruptions of 55 minutes and 90 minutes were not achieved with actual SAIDI score for the year being 69 minutes and 311 minutes. The winter and spring months were characterised by storms, strong winds, gales and a few severe gales causing issues to the Northpower network, and ultimately resulting to unplanned network interruptions.

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

Significant assets located in one place (e.g. zone substations, control room) are insured under a comprehensive replacement insurance policy. Assets that are spread over a large area (e.g. lines, cables and distribution transformers) are uninsured.

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

None to report.



Company Name Northpower 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
Future expenditures have been escalated at a rate of 2% per annum in accordance with published NZ government CPI forecasts.

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
Future expenditures have been escalated at a rate of 2% per annum in accordance with published NZ government CPI forecasts.



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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

Nothing significant to report.



Independent Auditor's Report

To the directors of Northpower Limited and to the Commerce Commission

The Auditor-General is the auditor of Northpower Limited (the Company). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, 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 Information Disclosure 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.

Basis of opinion

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.

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 Audit New Zealand and its employees may deal with the Company and its subsidiaries 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 and its subsidiaries.

Opinion

In our opinion:

- 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.
- The Company has complied with the Determination, in all material respects, in preparing the Disclosure Information.

In forming our opinion, we have obtained sufficient recorded evidence and all the information and explanations we have required.



Leon Pieterse
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand
26 August 2015

Certification for Year-end Disclosures

We, Nikki Davies-Colley and Michael James, being directors of Northpower 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 Northpower Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.



Director

26 August 2015

Date



Director

26 August 2015

Date