



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

Company Name	WEL Networks
Disclosure Date	31 August 2018
Disclosure Year (year ended)	31 March 2018

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

Company Name **WEL Networks**
 For Year Ended **31 March 2018**

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	19,923	275	92,088	4,624	27,334
Network	5,769	80	26,667	1,339	7,915
Non-network	14,154	196	65,421	3,285	19,418
Expenditure on assets	28,224	390	130,456	6,550	38,722
Network	27,637	382	127,740	6,414	37,916
Non-network	588	8	2,716	136	806

1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
Total consumer line charge revenue	87,096	1,204
Standard consumer line charge revenue	88,064	1,189
Non-standard consumer line charge revenue	47,115	232,511

1(iii): Service intensity measures

Demand density	50	Maximum coincident system demand per km of circuit length (for supply) (kW/km)
Volume density	232	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
Connection point density	17	Average number of ICPs per km of circuit length (for supply) (ICPs/km)
Energy intensity	13,825	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)

1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	24,956	22.14%
Pass-through and recoverable costs excluding financial incentives and wash-ups	31,513	27.95%
Total depreciation	18,992	16.85%
Total revaluations	5,823	5.17%
Regulatory tax allowance	11,096	9.84%
Regulatory profit/(loss) including financial incentives and wash-ups	32,004	28.39%
Total regulatory income	112,738	

1(v): Reliability

Interruption rate	19.69	Interruptions per 100 circuit km
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Company Name **WEL Networks**
 For Year Ended **31 March 2018**

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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

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

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2(i): Return on Investment

ROI – comparable to a post tax WACC

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

Mid-point estimate of post tax WACC

25th percentile estimate
 75th percentile estimate

ROI – comparable to a vanilla WACC

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

WACC rate used to set regulatory price path

Mid-point estimate of vanilla WACC

25th percentile estimate
 75th percentile estimate

	CY-2 31 Mar 16 %	CY-1 31 Mar 17 %	Current Year CY 31 Mar 18 %
Reflecting all revenue earned	4.63%	6.84%	5.75%
Excluding revenue earned from financial incentives	4.63%	6.84%	5.75%
Excluding revenue earned from financial incentives and wash-ups	4.63%	6.84%	5.75%
Mid-point estimate of post tax WACC			
25th percentile estimate	5.37%	4.77%	5.04%
75th percentile estimate	4.66%	4.05%	4.36%
	6.09%	5.48%	5.72%
ROI – comparable to a vanilla WACC			
Reflecting all revenue earned	5.28%	7.39%	6.34%
Excluding revenue earned from financial incentives	5.28%	7.39%	6.34%
Excluding revenue earned from financial incentives and wash-ups	5.28%	7.39%	6.34%
WACC rate used to set regulatory price path	–	–	–
Mid-point estimate of vanilla WACC			
25th percentile estimate	6.02%	5.31%	5.60%
75th percentile estimate	5.30%	4.59%	4.92%
	6.74%	6.03%	6.29%

2(ii): Information Supporting the ROI

(\$000)

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

Total opening RAB value	529,712
plus Opening deferred tax	(31,780)
Opening RIV	497,932
Line charge revenue	109,095
Expenses cash outflow	56,469
add Assets commissioned	42,963
less Asset disposals	82
add Tax payments	5,999
less Other regulated income	3,643
Mid-year net cash outflows	101,706
Term credit spread differential allowance	–
Total closing RAB value	559,424
less Adjustment resulting from asset allocation	(0)
less Lost and found assets adjustment	–
plus Closing deferred tax	(36,876)
Closing RIV	522,548

ROI – comparable to a vanilla WACC

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

ROI – comparable to a post tax WACC

ROI – comparable to a vanilla WACC	6.34%
Leverage (%)	44%
Cost of debt assumption (%)	4.80%
Corporate tax rate (%)	28%
ROI – comparable to a post tax WACC	5.75%



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SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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2(iii): Information Supporting the Monthly ROI

Opening RIV N/A

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

Tax payments N/A

Term credit spread differential allowance N/A

Closing RIV N/A

Monthly ROI – comparable to a vanilla WACC N/A

Monthly ROI – comparable to a post tax WACC N/A

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

Year-end ROI – comparable to a vanilla WACC 6.16%

Year-end ROI – comparable to a post tax WACC 5.57%

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

2(v): Financial Incentives and Wash-Ups

Net recoverable costs allowed under incremental rolling incentive scheme	-
Purchased assets – avoided transmission charge	
Energy efficiency and demand incentive allowance	
Quality incentive adjustment	
Other financial incentives	
Financial incentives	-

Impact of financial incentives on ROI -

Input methodology claw-back	
Recoverable customised price-quality path costs	
Catastrophic event allowance	
Capex wash-up adjustment	
Transmission asset wash-up adjustment	
2013–2015 NPV wash-up allowance	
Reconsideration event allowance	
Other wash-ups	

Wash-up costs -

Impact of wash-up costs on ROI -



Company Name **WEL Networks**For Year Ended **31 March 2018****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)
7	3(i): Regulatory Profit	
8	Income	
9	Line charge revenue	109,095
10	plus Gains / (losses) on asset disposals	(6)
11	plus Other regulated income (other than gains / (losses) on asset disposals)	3,649
12		
13	Total regulatory income	112,738
14	Expenses	
15	less Operational expenditure	24,956
16		
17	less Pass-through and recoverable costs excluding financial incentives and wash-ups	31,513
18		
19	Operating surplus / (deficit)	56,269
20		
21	less Total depreciation	18,992
22		
23	plus Total revaluations	5,823
24		
25	Regulatory profit / (loss) before tax	43,100
26		
27	less Term credit spread differential allowance	-
28		
29	less Regulatory tax allowance	11,096
30		
31	Regulatory profit/(loss) including financial incentives and wash-ups	32,004
32		
33	3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups	(\$000)
34	Pass through costs	
35	Rates	558
36	Commerce Act levies	104
37	Industry levies	225
38	CPP specified pass through costs	-
39	Recoverable costs excluding financial incentives and wash-ups	
40	Electricity lines service charge payable to Transpower	23,079
41	Transpower new investment contract charges	2,166
42	System operator services	-
43	Distributed generation allowance	5,383
44	Extended reserves allowance	-
45	Other recoverable costs excluding financial incentives and wash-ups	-
46	Pass-through and recoverable costs excluding financial incentives and wash-ups	31,513
47		

Company Name **WEL Networks**
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SCHEDULE 3: REPORT ON REGULATORY PROFIT

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sch ref

		(\$000)	
		CY-1	CY
		31 Mar 17	31 Mar 18
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 13		
58	CY-4 31 Mar 14		
59	CY-3 31 Mar 15		
60	CY-2 31 Mar 16		
61	CY-1 31 Mar 17		
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	Merger and acquisition expenditure		(\$000)
67			
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 **WEL Networks**
 For Year Ended **31 March 2018**

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

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

sch ref

4(i): Regulatory Asset Base Value (Rolled Forward)

for year ended	RAB 31 Mar 14 (\$'000)	RAB 31 Mar 15 (\$'000)	RAB 31 Mar 16 (\$'000)	RAB 31 Mar 17 (\$'000)	RAB 31 Mar 18 (\$'000)
Total opening RAB value	459,970	475,614	486,846	508,016	529,712
less Total depreciation	19,644	19,241	20,388	20,412	18,992
plus Total revaluations	6,999	398	2,844	10,929	5,823
plus Assets commissioned	32,341	30,676	38,981	31,350	42,963
less Asset disposals	4,052	601	268	171	82
plus Lost and found assets adjustment	—	—	—	—	—
plus Adjustment resulting from asset allocation	—	—	—	1	(0)
Total closing RAB value	475,614	486,846	508,016	529,712	559,424

4(ii): Unallocated Regulatory Asset Base

Total opening RAB value	Unallocated RAB * (\$'000)	RAB (\$'000)
less	529,712	529,712
Total depreciation	18,992	18,992
plus		
Total revaluations	5,823	5,823
plus		
Assets commissioned (other than below)	30,526	30,526
Assets acquired from a regulated supplier		
Assets acquired from a related party	12,437	12,437
Assets commissioned	42,963	42,963
less		
Asset disposals (other than below)	82	82
Asset disposals to a regulated supplier		
Asset disposals to a related party		
Asset disposals	82	82

Company Name **WEL Networks**
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SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

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44			
45	plus	Lost and found assets adjustment	
46			
47	plus	Adjustment resulting from asset allocation	(0)
48			
49		Total closing RAB value	559,424

* 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.

4(iii): Calculation of Revaluation Rate and Revaluation of Assets

50			
51			
52			
53		CPI ₄	1.011
54		CPI ₄ ⁻⁴	1.000
55		Revaluation rate (%)	1.10%

56			
57			
58			
59			
60		Total opening RAE value	529,712
61	less	Opening value of fully depreciated, disposed and lost assets	340
62			
63		Total opening RAE value subject to revaluation	529,372
64		Total revaluations	5,823
65			
66			

4(iv): Roll Forward of Works Under Construction

67			
68		Works under construction—preceding disclosure year	
69	plus	Capital expenditure	41,535
70	less	Assets commissioned	28,122
71	plus	Adjustment resulting from asset allocation	42,963
72		Works under construction - current disclosure year	26,694
73			
74		Highest rate of capitalised finance applied	4.12%
75			

Company Name
For Year Ended

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

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sch ref													
106	plus	Asset category transfers											
107		Total closing RAB value	21,683	57,331	81,343	108,137	149,813	64,888	30,814	17,768	27,646	559,424	
108													
109		Asset Life											
110		Weighted average remaining asset life	42.3	42.8	32.6	39.9	41.1	33.3	33.7	8.9	14.8		(years)
111		Weighted average expected total asset life	59.1	53.2	43.4	58.1	53.6	46.3	40.3	14.5	18.4		(years)

Company Name **WEL Networks**
 For Year Ended **31 March 2018**

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 10.

sch ref

7 5a(i): Regulatory Tax Allowance					
8 Regulatory profit / (loss) before tax					(\$000)
					43,100
10	<i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable		4,028	*	
11	Expenditure or loss in regulatory profit / (loss) before tax but not deductible		14	*	
12	Amortisation of initial differences in asset values		7,095		
13	Amortisation of revaluations		1,487		
					12,624
16	<i>less</i> Total revaluations		5,823		
17	Income included in regulatory profit / (loss) before tax but not taxable		-	*	
18	Discretionary discounts and customer rebates		-		
19	Expenditure or loss deductible but not in regulatory profit / (loss) before tax		-	*	
20	Notional deductible interest		10,273		
					16,096
23	Regulatory taxable income				39,628
25	<i>less</i> Utilised tax losses		-		
26	Regulatory net taxable income				39,628
28	Corporate tax rate (%)		28%		
29	Regulatory tax allowance				11,096

* 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).

5a(iii): Amortisation of Initial Difference in Asset Values

34 5a(iii): Amortisation of Initial Difference in Asset Values					
35					(\$000)
36	Opening unamortised initial differences in asset values		113,524		
37	<i>less</i> Amortisation of initial differences in asset values		7,095		
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				106,429
41					
42	Opening weighted average remaining useful life of relevant assets (years)				16
43					

Company Name **WEL Networks**
 For Year Ended **31 March 2018**

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	2
Operational expenditure	8,565
Capital expenditure	12,437
Market value of asset disposals	-
Other related party transactions	-

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

Name of related party	Related party relationship
WEL Services Limited	Wholly owned subsidiary
OurPower Limited	Wholly owned retail business

* 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
WEL Services Limited	Capex	Supply of services to maintain the distribution system	12,437	IM clause 2.2.11(5)(e)
WEL Services Limited	Opex	Supply of services to maintain the distribution system	8,565	ID clause 2.3.6(1)(b)
OurPower Limited	Sales	Lines charges	2	ID clause 2.3.7(2)(a)
	[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]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]

* include additional rows if needed



Company Name
For Year Ended

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SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

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

sch ref

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

10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27
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								

* 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	



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WEL Networks
31 March 2018

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	Electricity distribution services	Non-electricity distribution services	Total	OVBAA allocation increase (\$000s)
5d(i): Operating Cost Allocations					
Service interruptions and emergencies					
10 Directly attributable		2,052			
11 Not directly attributable					
12 Total attributable to regulated service		2,052			
Vegetation management					
14 Directly attributable		1,378			
15 Not directly attributable					
16 Total attributable to regulated service		1,378			
Routine and corrective maintenance and inspection					
18 Directly attributable		1,884			
19 Not directly attributable					
20 Total attributable to regulated service		1,884			
Asset replacement and renewal					
22 Directly attributable		1,913			
23 Not directly attributable					
24 Total attributable to regulated service		1,913			
System operations and network support					
26 Directly attributable		10,287			
27 Not directly attributable					
28 Total attributable to regulated service		10,287			
Business support					
30 Directly attributable					
31 Not directly attributable					
32 Total attributable to regulated service					
33 Directly attributable		7,442	3,407	10,849	
34 Not directly attributable					
35 Total attributable to regulated service		7,442	3,407	10,849	
Operating costs directly attributable					
36 Operating costs not directly attributable					
37 Operational expenditure		24,956			
38					

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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.

39	5d(ii): Other Cost Allocations			
40	Pass through and recoverable costs			
41	Pass through costs			
42	Directly attributable	886		
43	Not directly attributable	886		
44	Total attributable to regulated service			
45	Recoverable costs			
46	Directly attributable	30,627		
47	Not directly attributable	30,627		
48	Total attributable to regulated service			
49				
50	5d(iii): Changes in Cost Allocations* †			
51	Change in cost allocation 1			
52	Cost category			
53	Original allocator or line items			
54	New allocator or line items			
55				
56				
57	Rationale for change			
58				
59				
60	Change in cost allocation 2			
61	Cost category			
62	Original allocator or line items			
63	New allocator or line items			
64				
65	Rationale for change			
66				
67				
68				
69	Change in cost allocation 3			
70	Cost category			
71	Original allocator or line items			
72	New allocator or line items			
73				
74	Rationale for change			
75				
76				
77				
78				
79				

(\$000)

886
886
30,627
30,627

(\$000)

	CY-1	Current Year (CY)
Original allocation	8,765	8,747
New allocation	7,389	7,442
Difference	1,376	1,305

Business support
ACAM
ABAA

Review of cost allocation in light of future change in Input Methodology by Commerce Commission.

(\$000)

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

(\$000)

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

* 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

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SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

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

sch ref

7 5e(i): Regulated Service Asset Values		Value allocated (\$000s) Electricity distribution services
8		
9		
10	Subtransmission lines	
11	Directly attributable	21,683
12	Not directly attributable	
13	Total attributable to regulated service	21,683
14	Subtransmission cables	
15	Directly attributable	57,331
16	Not directly attributable	
17	Total attributable to regulated service	57,331
18	Zone substations	
19	Directly attributable	81,343
20	Not directly attributable	
21	Total attributable to regulated service	81,343
22	Distribution and LV lines	
23	Directly attributable	102,730
24	Not directly attributable	5,407
25	Total attributable to regulated service	108,137
26	Distribution and LV cables	
27	Directly attributable	149,813
28	Not directly attributable	
29	Total attributable to regulated service	149,813
30	Distribution substations and transformers	
31	Directly attributable	64,888
32	Not directly attributable	
33	Total attributable to regulated service	64,888
34	Distribution switchgear	
35	Directly attributable	30,814
36	Not directly attributable	
37	Total attributable to regulated service	30,814
38	Other network assets	
39	Directly attributable	17,768
40	Not directly attributable	
41	Total attributable to regulated service	17,768
42	Non-network assets	
43	Directly attributable	27,646
44	Not directly attributable	
45	Total attributable to regulated service	27,646
46		
47	Regulated service asset value directly attributable	554,017
48	Regulated service asset value not directly attributable	5,407
49	Total closing RAB value	559,424
50		

51 5e(ii): Changes in Asset Allocations* †		(\$000)	
		CY-1	Current Year (CY)
52	Change in asset value allocation 1		
53	Asset category		
54	Original allocator or line items		
55	New allocator or line items		
56			
57			
58	Rationale for change		
59			
60			
61			
62	Change in asset value allocation 2		
63	Asset category		
64	Original allocator or line items		
65	New allocator or line items		
66			
67	Rationale for change		
68			
69			
70			
71	Change in asset value allocation 3		
72	Asset category		
73	Original allocator or line items		
74	New allocator or line items		
75			
76	Rationale for change		
77			
78			

* 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 compon
 † include additional rows if needed



Company Name
WEL Networks Ltd
 For Year Ended
31 March 2018

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

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									
7	Insert cost description	Allocator 1	[Select one]						
8	Insert cost description	Allocator 2	[Select one]						
9	Insert cost description	Allocator 3	[Select one]						
10	Insert cost description	Allocator 4	[Select one]						
11	Not directly attributable								
Vegetation management									
12	Insert cost description	Allocator 1	[Select one]						
13	Insert cost description	Allocator 2	[Select one]						
14	Insert cost description	Allocator 3	[Select one]						
15	Insert cost description	Allocator 4	[Select one]						
16	Not directly attributable								
Routine and corrective maintenance and inspection									
17	Insert cost description	Allocator 1	[Select one]						
18	Insert cost description	Allocator 2	[Select one]						
19	Insert cost description	Allocator 3	[Select one]						
20	Insert cost description	Allocator 4	[Select one]						
21	Not directly attributable								
22	Not directly attributable								
Asset replacement and renewal									
23	Insert cost description	Allocator 1	[Select one]						
24	Insert cost description	Allocator 2	[Select one]						
25	Insert cost description	Allocator 3	[Select one]						
26	Insert cost description	Allocator 4	[Select one]						
27	Not directly attributable								
28	Not directly attributable								
29	Not directly attributable								
30	Insert cost description	Allocator 1	[Select one]						
31	Insert cost description	Allocator 2	[Select one]						
32	Insert cost description	Allocator 3	[Select one]						
33	Insert cost description	Allocator 4	[Select one]						
34	Not directly attributable								
35	Not directly attributable								



Company Name
WEL Networks Ltd
 For Year Ended
31 March 2018

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

Line Item*	Allocation methodology type	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	
Subtransmission lines									
12	Insert asset description	Allocator 1	[Select one]						
13	Insert asset description	Allocator 2	[Select one]						
14	Insert asset description	Allocator 3	[Select one]						
15	Insert asset description	Allocator 4	[Select one]						
Not directly attributable									
Subtransmission cables									
18	Insert asset description	Allocator 1	[Select one]						
19	Insert asset description	Allocator 2	[Select one]						
20	Insert asset description	Allocator 3	[Select one]						
21	Insert asset description	Allocator 4	[Select one]						
Not directly attributable									
Zone substations									
24	Insert asset description	Allocator 1	[Select one]						
25	Insert asset description	Allocator 2	[Select one]						
26	Insert asset description	Allocator 3	[Select one]						
27	Insert asset description	Allocator 4	[Select one]						
Not directly attributable									
Distribution and LV lines									
30	% of Poles with Fibre to total Poles	Non-avoidable value	Causal	100.00%			5,407		5,407
31	Insert asset description	Allocator 2	[Select one]						
32	Insert asset description	Allocator 3	[Select one]						
33	Insert asset description	Allocator 4	[Select one]						
Not directly attributable									



Company Name **WEL Networks**
 For Year Ended **31 March 2018**

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)
7	6a(i): Expenditure on Assets		
8	Consumer connection		14,823
9	System growth		286
10	Asset replacement and renewal		13,096
11	Asset relocations		3,990
12	Reliability, safety and environment:		
13	Quality of supply	1,102	
14	Legislative and regulatory	20	
15	Other reliability, safety and environment	1,301	
16	Total reliability, safety and environment		2,422
17	Expenditure on network assets		34,617
18	Expenditure on non-network assets		736
19			
20	Expenditure on assets		35,353
21	plus Cost of financing		203
22	less Value of capital contributions		7,434
23	plus Value of vested assets		-
24			
25	Capital expenditure		28,122
26	6a(ii): Subcomponents of Expenditure on Assets (where known)		(\$000)
27	Energy efficiency and demand side management, reduction of energy losses		-
28	Overhead to underground conversion		142
29	Research and development		-
30	6a(iii): Consumer Connection		(\$000)
31	<i>Consumer types defined by EDB*</i>		
32	Residential Low User	7,107	
	Residential Standard User	5,126	
	Small Business	1,907	
	Small Scale DG Low User	59	
	Small Scale DG Standard User	56	
	Streetlighting	12	
	Medium Voltage (11kV)	29	
	High Voltage (33kV)	0	
33	Low Voltage (400V)	97	
34	Other Unmetered	42	
35	Smart Price Residential Low User	49	
	Smart Price Residential Standard User	240	
	Smart Price Small Business	93	
	Smart Price Small Scale DG Low User	1	
	Smart Price Small Scale DG Standard User	5	
36	Asset Specific Customer	1	
37	<i>* include additional rows if needed</i>		
38	Consumer connection expenditure		14,823
39			
40	less Capital contributions funding consumer connection expenditure	4,262	
41	Consumer connection less capital contributions		10,561
42	6a(iv): System Growth and Asset Replacement and Renewal		
43		System Growth (\$000)	Asset Replacement and Renewal (\$000)
44			
45	Subtransmission	-	-
46	Zone substations	110	337
47	Distribution and LV lines	57	10,549
48	Distribution and LV cables	-	261
49	Distribution substations and transformers	(3)	262
50	Distribution switchgear	-	1,208
51	Other network assets	122	480
52	System growth and asset replacement and renewal expenditure	286	13,096
53	less Capital contributions funding system growth and asset replacement and renewal	4	480
54	System growth and asset replacement and renewal less capital contributions	282	12,615
55			
56	6a(v): Asset Relocations		
57	<i>Project or programme*</i>		
58	Relocations	3,848	
59	Undergrounding	142	
60	[Description of material project or programme]		
61	[Description of material project or programme]		
62	[Description of material project or programme]		
63	<i>* include additional rows if needed</i>		
64	All other projects or programmes - asset relocations	-	
65	Asset relocations expenditure		3,990
66	less Capital contributions funding asset relocations	2,686	
67	Asset relocations less capital contributions		1,304



Company Name **WEL Networks**
 For Year Ended **31 March 2018**

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	Distribution Transformer and LV Feeder Upgrade projects for power quality	793		
72	Network Work Upgrade Due To DG applications	1		
73	Power Quality - Works required to correct customer complaints	256		
74	Battery Energy Storage System	52		
75	-	-		
76	<i>* include additional rows if needed</i>			
77	All other projects programmes - quality of supply	-		
78	Quality of supply expenditure		1,102	
79	less Capital contributions funding quality of supply	2		
80	Quality of supply less capital contributions		1,100	
81	6a(vii): Legislative and Regulatory			
82	<i>Project or programme*</i>	(\$000)	(\$000)	
83	Seismic upgrades of substations	20		
84	-	-		
85	-	-		
86	-	-		
87	-	-		
88	<i>* include additional rows if needed</i>			
89	All other projects or programmes - legislative and regulatory	-		
90	Legislative and regulatory expenditure		20	
91	less Capital contributions funding legislative and regulatory	-		
92	Legislative and regulatory less capital contributions		20	
93	6a(viii): Other Reliability, Safety and Environment			
94	<i>Project or programme*</i>	(\$000)	(\$000)	
95	Aircondition for substations	93		
96	Reliability Projects	473		
97	Arc Flash protection installation	189		
98	Substation site security access	491		
99	Weavers sub	51		
100	0	-		
101	<i>* include additional rows if needed</i>			
102	All other projects or programmes - other reliability, safety and environment	4		
103	Other reliability, safety and environment expenditure		1,301	
104	less Capital contributions funding other reliability, safety and environment	-		
105	Other reliability, safety and environment less capital contributions		1,301	
106	6a(ix): Non-Network Assets			
107	Routine expenditure			
108	<i>Project or programme*</i>	(\$000)	(\$000)	
109	Computer Equipment	192		
110	Comp Software	343		
111	Plant and Equipment	56		
112	Motor Vehicles	145		
113	-	-		
114	<i>* include additional rows if needed</i>			
115	All other projects or programmes - routine expenditure	-		
116	Routine expenditure		736	
117	Atypical expenditure			
118	<i>Project or programme*</i>	(\$000)	(\$000)	
119				
120				
121				
122				
123				
124	<i>* include additional rows if needed</i>			
125	All other projects or programmes - atypical expenditure			
126	Atypical expenditure		-	
127				
128	Expenditure on non-network assets		736	



Company Name	WEL Networks
For Year Ended	31 March 2018

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		
9		
10		
11		
12		7,227
13		
14		
15		17,729
16		
17		24,956

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

18		
19		200
20		-
21		54
22		385
23		

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



Company Name

WEL Networks

For Year Ended

31 March 2018

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				
8	Line charge revenue	106,199	109,095	3%
7 (ii): Expenditure on Assets		Forecast (\$000) ²	Actual (\$000)	% variance
9				
10	Consumer connection	10,056	14,823	47%
11	System growth	1,439	286	(80%)
12	Asset replacement and renewal	12,622	13,096	4%
13	Asset relocations	3,001	3,990	33%
14	Reliability, safety and environment:			
15	Quality of supply	1,494	1,102	(26%)
16	Legislative and regulatory	102	20	(81%)
17	Other reliability, safety and environment	1,574	1,301	(17%)
18	Total reliability, safety and environment	3,170	2,422	(24%)
19	Expenditure on network assets	30,288	34,617	14%
20	Expenditure on non-network assets	4,488	736	(84%)
21	Expenditure on assets	34,776	35,353	2%
7 (iii): Operational Expenditure				
22				
23	Service interruptions and emergencies	2,305	2,052	(11%)
24	Vegetation management	1,349	1,378	2%
25	Routine and corrective maintenance and inspection	1,487	1,884	27%
26	Asset replacement and renewal	1,646	1,913	16%
27	Network opex	6,787	7,227	6%
28	System operations and network support	3,926	10,287	162%
29	Business support	11,245	7,442	(34%)
30	Non-network opex	15,171	17,729	17%
31	Operational expenditure	21,958	24,956	14%
7 (iv): Subcomponents of Expenditure on Assets (where known)				
32				
33	Energy efficiency and demand side management, reduction of energy losses	342	–	(100%)
34	Overhead to underground conversion	510	142	(72%)
35	Research and development	–	–	–
36				
7 (v): Subcomponents of Operational Expenditure (where known)				
37				
38	Energy efficiency and demand side management, reduction of energy losses	816	200	(75%)
39	Direct billing	–	–	–
40	Research and development	1,100	54	(95%)
41	Insurance	453	385	(15%)
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)

Company Name	WEL Networks
For Year Ended	31 March 2018
Network / Sub-network Name	

SCHEDULE 9a: ASSET REGISTER

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

sch ref

8	Voltage	Asset category	Asset class	Units	Items at start of	Items at end of	Net change	Data accuracy
					year (quantity)	year (quantity)		(1-4)
9	All	Overhead Line	Concrete poles / steel structure	No.	37,175	37,287	112	3
10	All	Overhead Line	Wood poles	No.	2,209	2,008	(201)	3
11	All	Overhead Line	Other pole types	No.	10	10	-	3
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	191	189	(2)	3
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	234	236	2	3
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	N/A
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	15	15	(0)	3
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	26	26	-	3
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	N/A
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	N/A
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	N/A
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	55	54	(1)	4
29	HV	Zone substation switchgear	33kV RMU	No.	9	9	-	4
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	110	111	1	4
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	30	30	-	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	-	-	-	N/A
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	N/A
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	54	50	(4)	3
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	1,933	1,926	(7)	3
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	N/A
37	HV	Distribution Line	SWER conductor	km	-	-	-	N/A
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	562	573	11	3
39	HV	Distribution Cable	Distribution UG PILC	km	116	115	(1)	3
40	HV	Distribution Cable	Distribution Submarine Cable	km	-	-	-	N/A
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	175	187	12	3
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	393	389	(4)	3
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	6,187	6,179	(8)	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	-	-	-	3
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	1,039	1,023	(16)	3
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	4,084	4,109	25	3
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	1,928	1,961	33	3
48	HV	Distribution Transformer	Voltage regulators	No.	16	17	1	3
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	N/A
50	LV	LV Line	LV OH Conductor	km	1,057	1,045	(12)	3
51	LV	LV Cable	LV UG Cable	km	1,261	1,298	37	3
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	1,206	1,238	32	3
53	LV	Connections	OH/UG consumer service connections	No.	91,564	93,036	1,472	2
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	983	967	(16)	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1,273	1,219	(54)	3
56	All	Capacitor Banks	Capacitors including controls	No.	1	1	-	4
57	All	Load Control	Centralised plant	Lot	8	8	-	4
58	All	Load Control	Relays	No.	55,132	55,762	630	1
59	All	Civils	Cable Tunnels	km	-	-	-	N/A

Company Name **WEL Networks**

For Year Ended **31 March 2018**

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)
11	> 66kV	–	–
12	50kV & 66kV	–	–
13	33kV	189	251
14	SWER (all SWER voltages)	–	–
15	22kV (other than SWER)	–	–
16	6.6kV to 11kV (inclusive—other than SWER)	1,927	688
17	Low voltage (< 1kV)	1,046	1,298
18	Total circuit length (for supply)	3,161	2,236
19			
20	Dedicated street lighting circuit length (km)	287	951
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)		888
22			
23	Overhead circuit length by terrain (at year end)	Circuit length (km)	(% of total overhead length)
24	Urban	552	17%
25	Rural	1,917	61%
26	Remote only	–	–
27	Rugged only	693	22%
28	Remote and rugged	–	–
29	Unallocated overhead lines	–	–
30	Total overhead length	3,161	100%
31			
32		Circuit length (km)	(% of total circuit length)
33	Length of circuit within 10km of coastline or geothermal areas (where known)	377	7%
34		Circuit length (km)	(% of total overhead length)
35	Overhead circuit requiring vegetation management	2,276	72%

Company Name **WEL Networks**
 For Year Ended **31 March 2018**

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			
10	Brick Street	19	124
11	Flagship	3	88
12	Half Moon Bay	59	58
13	Hulme Place	32	18
14	Jeffer Road Dannemora	883	634
15	Kirkdale	266	195
16	Oaklands	179	145
17	Porchester Road	278	226
18	Ryan Place	64	37
19	Southgate	109	87
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 **WEL Networks**For Year Ended **31 March 2018**

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	Consumer types defined by EDB*	Number of	
11	Residential Low User (1153)	connections (ICPs)	
	Residential Standard User (1154)		2
	General (1200)		169
	Small Scale DG Low User (1250)		113
	Small Scale DG Standard User (1251)		1
	Unmetered (1450)		2
	Low Voltage (440V) (1360)		87
	Smart Pricing Residential Low User (1153SP)		24
12	Smart Pricing Residential Standard User (1154SP)		115
13	Smart Pricing General (1200SP)		691
	Smart Pricing Small Scale DG Low User (1250SP)		374
14	Smart Pricing Small Scale DG Standard User (1251SP)		3
15			11
16	* include additional rows if needed		
17	Connections total		1,592
18			
19	Distributed generation		
20	Number of connections made in year		183 connections
21	Capacity of distributed generation installed in year		0.77 MVA
22	9e(ii): System Demand		
23			
24			
25	Maximum coincident system demand	Demand at time	
26	GXP demand	of maximum	
27	plus Distributed generation output at HV and above	coincident	
28	Maximum coincident system demand	demand (MW)	
29	less Net transfers to (from) other EDBs at HV and above		
30	Demand on system for supply to consumers' connection points		
31			
32	Electricity volumes carried	Energy (GWh)	
33	Electricity supplied from GXPs		
34	less Electricity exports to GXPs		
35	plus Electricity supplied from distributed generation		
36	less Net electricity supplied to (from) other EDBs		
37	Electricity entering system for supply to consumers' connection points		
38	less Total energy delivered to ICPs		
39	Electricity losses (loss ratio)		
40			
41	9e(iii): Transformer Capacity		
42		(MVA)	
43	Distribution transformer capacity (EDB owned)		
44	Distribution transformer capacity (Non-EDB owned, estimated)		
45	Total distribution transformer capacity		
46			
47	Zone substation transformer capacity		

Company Name	WEL Networks
For Year Ended	31 March 2018
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)	470	
12	Class C (unplanned interruptions on the network)	586	
13	Class D (unplanned interruptions by Transpower)	3	
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)	4	
17	Class H (planned interruptions caused by another disclosing entity)	-	
18	Class I (interruptions caused by parties not included above)	-	
19	Total	1,063	
20			
21	Interruption restoration	≤3Hrs	>3hrs
22	Class C interruptions restored within	360	226
23			
24	SAIFI and SAIDI by class	SAIFI	SAIDI
25	Class A (planned interruptions by Transpower)	-	-
26	Class B (planned interruptions on the network)	0.27	50.8
27	Class C (unplanned interruptions on the network)	1.47	86.0
28	Class D (unplanned interruptions by Transpower)	0.12	2.4
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)	0.01	0.6
32	Class H (planned interruptions caused by another disclosing entity)	-	-
33	Class I (interruptions caused by parties not included above)	-	-
34	Total	1.86	139.7
35			
36	Normalised SAIFI and SAIDI	Normalised SAIFI	Normalised SAIDI
37	Classes B & C (interruptions on the network)	1.86	136.1
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	WEL Networks
For Year Ended	31 March 2018
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.

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

42
43
44
45
46
47
48
49
50
51
52
53
54

Cause	SAIFI	SAIDI
Lightning	0.10	4.25
Vegetation	0.10	5.41
Adverse weather	0.34	15.79
Adverse environment	-	-
Third party interference	0.29	25.45
Wildlife	0.04	2.08
Human error	0.03	0.87
Defective equipment	0.31	24.79
Cause unknown	0.25	7.31

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

55
56
57
58
59
60
61
62
63

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	-	-
Subtransmission cables	-	-
Subtransmission other	-	-
Distribution lines (excluding LV)	0.14	30.22
Distribution cables (excluding LV)	-	-
Distribution other (excluding LV)	0.12	20.61

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

64
65
66
67
68
69
70
71
72

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	0.38	12.10
Subtransmission cables	-	-
Subtransmission other	0.04	0.89
Distribution lines (excluding LV)	0.70	45.85
Distribution cables (excluding LV)	0.17	11.26
Distribution other (excluding LV)	0.17	15.86

10(v): Fault Rate

73
74
75
76
77
78
79
80
81

Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
Subtransmission lines	15	189	7.95
Subtransmission cables	-	15	-
Subtransmission other	2	-	-
Distribution lines (excluding LV)	206	1,926	10.69
Distribution cables (excluding LV)	31	115	27.02
Distribution other (excluding LV)	332	-	-
Total	586		



Company Name	WEL Networks Limited
For Year Ended	31 March 2018

Schedule 14 Mandatory Explanatory Notes

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012)

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 2.5.2.
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 clause 2.7.1(2).

Box 1: Explanatory comment on return on investment

ROI for FY18 is 5.75% compared to a comparable post tax WACC of 5.04%.

The ROI is below the corresponding FY17 value. This is largely due to the lower CPI increase this year as there was a CPI reset which has significantly decreased our revaluation of assets.

No items have been reclassified.

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 regulatory line income' other than gains and losses on asset sales, as disclosed in 3(i) of Schedule 3
 - 5.2 information on reclassified items in accordance with clause 2.7.1(2).

Box 2: Explanatory comment on regulatory profit

The material item included in 'other regulatory line income' is Te Uku windfarm lease revenue. This revenue is for the line and other assets that supply the windfarm.

No items have been reclassified.

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 clause 2.7.1(2)
 - 6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

Box 3: Explanatory comment on merger and acquisition expenditure

No merger and acquisition expenditure.

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 clause 2.7.1(2).

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

No items have been reclassified.

The value of the Asset Base in Schedule 4 for the 2017 FY was \$529.7M and for the 2018 FY is now \$559.4M, a positive movement of \$29.7M.

The closing value of assets not yet commissioned and included in Works under construction at 31 March 2018 is \$26.7M.

The WIP balance associated with these assets will be rolled out of WIP once these assets are capitalised onto the RAB register.

Costs related to assets that were commissioned in 2017 were inadvertently omitted from the 2017 RAB due to an internal error in reported data. The assets omitted total \$15.4M which have been subsequently included in the 2018 assets commissioned. The impact on the 2017 RAB would be an increase in value of 2.9%

The impact on the ROI as reported in 2017 is +0.6%. There is no material impact on the 2018 ROI.

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

8. In the box below, provide descriptions and workings of the following items, as recorded in the asterisked categories in 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

8.1 *Income not included in regulatory profit/(loss) before tax but taxable:* is the current year portion of the Third Party Contribution costs which are being amortised over 10 years.

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

- Non deductible portion of entertainment \$14K

8.3 *income included in regulatory profit / (loss) before tax but not taxable:*

- No items

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

- No items

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

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

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

There are no other temporary differences to report.

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 clause 2.3.6(1)(b).

Box 7: Related party transactions

WEL Networks Limited set up a company in 2017 named WEL Services Limited (WSL). WSL provides electrical lines contracting services to both WEL Networks and externally. This company performs the majority of work on WEL Networks' distribution infrastructure lines maintenance and capital programmes. The company's revenue predominately (96%) relates to services provided to WEL's network, this variance is offset with the variance in costs which also relate to WSL. WSL is a related party as seen in schedule 5b.

WEL Networks is charged on a fully costed basis for labour, plant/equipment usage, third party services and project management costs.

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 clause 2.7.1(2).

Box 8: Cost allocation

The cost allocator for Business support in Schedule 5d has changed from ACAM to ABAA. In light of the future changes by the Commerce Commission to use ABAA we have undergone a review of the cost allocation and reclassified it under ABAA cost allocation.

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 clause 2.7.1(2).

Box 9: Commentary on asset allocation

Not directly attributable values relate to poles that have fibre placed on them and the fibre is owned by the local fibre company. The asset values are not detailed enough for an exact calculation so the figures provided are estimated.

Capital Expenditure for the Disclosure Year (Schedule 6a)

13. In the box below, comment on capital expenditure 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 clause 2.7.1(2),

Box 10: Explanation of capital expenditure for the disclosure year

WEL classifies a project with total cost over \$0.5M as a major capital project.

No items were reclassified.

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 operating expenditure, as reported in 6b(i) of Schedule 6b;
- 14.2 information on reclassified items in accordance with clause 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

No items were reclassified.

Asset replacement and renewal operating expenditure is mainly incurred in relation to unplanned defects correction. The expenditure includes the following main asset categories:

- Switchgear including RMU & overhead line switches / sectionisers / voltage regulators
- Conductors, poles and cross-arms including insulator, live line clamps, broken cut outs, possum guards and stay wire repairs
- Distribution transformers
- Pillars
- Feeders including stolen earth repairs
- Circuit breakers
- Zone substations including buildings, zone sub transformers, ripple plants and battery chargers and banks
- SCADA and other communication devices

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 clause 2.7.1(2).

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

Expenditure on assets – Consumer Connection – unprecedented Customer Initiated Work (CIW) demand across the network for the year and principally driven as an outcome from the heated Auckland housing market. The Waikato subdivision and housing market has been extremely buoyant in recent times with year on year growth experienced.

Asset Relocations – Primarily driven through Waikato Expressway related asset relocations. When the budget was estimated, it was not foreseen that multiple relocations would be temporary and thus additional revenue/expenditure once the permanent relocations were completed.

Non network capital expenditure decreased as a result of some major projects not being included in the regulated accounts e.g. solar panels, internal software assets and the majority of the vehicle procurement being through the Contracting arm, WSL.

Operational Expenditure – System operations and network support opex increase relates to the move from internal to external contracting as the contracting division was separated from the EDB in the previous year and is not being reflected in forecast calculations. Business support is below forecast due to actual showing the network allocated costs and forecast showing total costs (allocated and unallocated).

Increased variances in OPEX are due to forecast not incorporating WEL Services as an external party (was internal in prior periods). WEL Services is a related party as seen in schedule 5b.

Information relating to revenue 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 clauses 2.4.1 and 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and
- 16.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

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

16.1 The variance between target revenue and total billed revenue for the year is 3%.

16.2 Total billed revenue is higher than target revenue due to higher than expected kilowatt hour consumption. The main drivers for this are colder than average temperatures in winter, a warmer than average summer and growth in large commercials. GXP throughput was 2.5% higher than the previous year.

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

The normalised result for SAIDI was 136.10

The normalised result for SAIFI was 1.86

1. Company policy to implement risk base approach to Live Line job vs de energize have increased the SAIDI for Class B (planned interruptions on the network).
2. Normalised SAIDI was due to major storm event on 5 January 2018.

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

18.1: WEL takes prudent insurance cover for critical 'point' assets within the network (being the substations) including material damage, but notes insurance for the actual network is either unavailable or prohibitively expensive. WEL also takes prudent insurance cover for the non-network assets and appropriate contracting and statutory liability insurances.

18.2: WEL does not have any formal self-insurance policies. WEL has risk management practices and procedures. WEL does not have its own 'captive' insurance company or cash reserves invested.

Company Name _____
For Year Ended _____

Schedule 14a Mandatory Explanatory Notes on Forecast Information

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012)

1. This Schedule provides for EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.5.
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 disclosure year, as disclosed in Schedule 11a.

Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts
[Insert text here]

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 disclosure year, as disclosed in Schedule 11b.

Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts
[Insert text here]

Company Name WEL Networks Limited

For Year Ended _____

Schedule 15 Voluntary Explanatory Notes

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012)

1. This Schedule enable 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, 2.5.2, and 2.6.5;
 - 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

Schedule 5f

The cost allocator for Business support in Schedule 5f has changed from ACAM to ABAA. In light of the future changes by the Commerce Commission to use ABAA we have undergone a review of the cost allocation and reclassified it under ABAA cost allocation.

Schedule 5g

The cost allocator was previously labelled PVALUE, this has been updated in 2018 to ACAM to label the calculations correctly. No change in the calculations has occurred.

Changes in Schedule 9e(iii) Zone Substation Transformer Capacity.

From 2017 total of 945MVA to 766MVA

Excluded transformer capacity of:

1. Kimihia (1x 10MVA) - Decommissioned in 2017.
2. HAM11kV GXP transformers (2x 44MVA) – Transpower owned.
3. Pukete transformers – Three winding transformer (33/11/11kV). Contact Energy owned.
 - 3.1 The first 11kV (2x 30MVA) connects the Contact Owned Te Rapa generator and Fonterra.
 - 3.2 The second 11kV (2x 12.6MVA) winding supplies WEL Pukete area.

Added 4.2MVA increase in Tasman transformer capacity from upgrading project.