



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

| | |
|-------------------------------------|---|
| Company Name | <input type="text" value="WEL Networks"/> |
| Disclosure Date | <input type="text" value="31 August 2016"/> |
| Disclosure Year (year ended) | <input type="text" value="31 March 2016"/> |

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 2016**

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.

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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 | 17,398 | 243 | 82,073 | 3,993 | 24,382 |
| Network | 5,378 | 75 | 25,368 | 1,234 | 7,536 |
| Non-network | 12,021 | 168 | 56,705 | 2,759 | 16,846 |
| Expenditure on assets | 31,862 | 445 | 150,304 | 7,312 | 44,651 |
| Network | 29,145 | 407 | 137,488 | 6,688 | 40,844 |
| Non-network | 2,717 | 38 | 12,816 | 623 | 3,807 |

1(ii): Revenue metrics

| | Revenue per GWh energy delivered to ICPs (\$/GWh) | Revenue per average no. of ICPs (\$/ICP) |
|---|---|--|
| Total consumer line charge revenue | 81,204 | 1,134 |
| Standard consumer line charge revenue | 81,956 | 1,115 |
| Non-standard consumer line charge revenue | 53,126 | 242,519 |

1(iii): Service intensity measures

| | | |
|--------------------------|--------|--|
| Demand density | 49 | Maximum coincident system demand per km of circuit length (for supply) (kW/km) |
| Volume density | 229 | Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km) |
| Connection point density | 16 | Average number of ICPs per km of circuit length (for supply) (ICPs/km) |
| Energy intensity | 13,968 | Total energy delivered to ICPs per average number of ICPs (kWh/ICP) |

1(iv): Composition of regulatory income

| | (\$000) | % of revenue |
|--|----------------|--------------|
| Operational expenditure | 21,314 | 20.89% |
| Pass-through and recoverable costs excluding financial incentives and wash-ups | 29,331 | 28.75% |
| Total depreciation | 20,388 | 19.98% |
| Total revaluations | 2,845 | 2.79% |
| Regulatory tax allowance | 9,016 | 8.84% |
| Regulatory profit/(loss) including financial incentives and wash-ups | 24,814 | 24.32% |
| Total regulatory income | 102,017 | |

1(v): Reliability

| | | |
|-------------------|-------|----------------------------------|
| Interruption rate | 16.77 | Interruptions per 100 circuit km |
|-------------------|-------|----------------------------------|

| | |
|----------------|----------------------|
| Company Name | WEL Networks |
| For Year Ended | 31 March 2016 |

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.

2(i): Return on Investment

| | CY-2 31 Mar 14 % | CY-1 31 Mar 15 % | Current Year CY 31 Mar 16 % |
|---|------------------------|------------------------|-----------------------------------|
| ROI – comparable to a post tax WACC | | | |
| Reflecting all revenue earned | 6.10% | 4.49% | 4.63% |
| Excluding revenue earned from financial incentives | 6.10% | 4.49% | 4.63% |
| Excluding revenue earned from financial incentives and wash-ups | 6.10% | 4.49% | 4.63% |
| Mid-point estimate of post tax WACC | | | |
| 25th percentile estimate | 5.43% | 6.10% | 5.37% |
| 75th percentile estimate | 4.71% | 5.39% | 4.66% |
| | 6.14% | 6.82% | 6.09% |
| ROI – comparable to a vanilla WACC | | | |
| Reflecting all revenue earned | 6.79% | 5.27% | 5.28% |
| Excluding revenue earned from financial incentives | 6.79% | 5.27% | 5.28% |
| Excluding revenue earned from financial incentives and wash-ups | 6.79% | 5.27% | 5.28% |
| WACC rate used to set regulatory price path | | | |
| | - | - | - |
| Mid-point estimate of vanilla WACC | | | |
| 25th percentile estimate | 6.11% | 6.89% | 6.02% |
| 75th percentile estimate | 5.39% | 6.17% | 5.30% |
| | 6.83% | 7.60% | 6.74% |

2(ii): Information Supporting the ROI

| | (\$'000) | |
|--|----------|---------|
| Total opening RAB value | 486,846 | |
| plus Opening deferred tax | (22,038) | |
| Opening RIV | | 464,808 |
| Line charge revenue | | 99,479 |
| Expenses cash outflow | 50,645 | |
| add Assets commissioned | 38,981 | |
| less Asset disposals | 268 | |
| add Tax payments | 4,251 | |
| less Other regulated income | 2,538 | |
| Mid-year net cash outflows | | 91,071 |
| Term credit spread differential allowance | | - |
| Total closing RAB value | 508,016 | |
| less Adjustment resulting from asset allocation | (0) | |
| less Lost and found assets adjustment | - | |
| plus Closing deferred tax | (26,803) | |
| Closing RIV | | 481,214 |
| ROI – comparable to a vanilla WACC | | 5.28% |
| Leverage (%) | | 44% |
| Cost of debt assumption (%) | | 5.26% |
| Corporate tax rate (%) | | 28% |
| ROI – comparable to a post tax WACC | | 4.63% |

Company Name **WEL Networks**
 For Year Ended **31 March 2016**

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.

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| 3(i): Regulatory Profit | | (\$000) |
|--------------------------------|--|----------------|
| 7 | Income | |
| 8 | Line charge revenue | 99,479 |
| 9 | | |
| 10 | plus Gains / (losses) on asset disposals | (218) |
| 11 | plus Other regulated income (other than gains / (losses) on asset disposals) | 2,757 |
| 12 | | |
| 13 | Total regulatory income | 102,017 |
| 14 | Expenses | |
| 15 | less Operational expenditure | 21,314 |
| 16 | | |
| 17 | less Pass-through and recoverable costs excluding financial incentives and wash-ups | 29,331 |
| 18 | | |
| 19 | Operating surplus / (deficit) | 51,373 |
| 20 | | |
| 21 | less Total depreciation | 20,388 |
| 22 | | |
| 23 | plus Total revaluations | 2,845 |
| 24 | | |
| 25 | Regulatory profit / (loss) before tax | 33,830 |
| 26 | | |
| 27 | less Term credit spread differential allowance | - |
| 28 | | |
| 29 | less Regulatory tax allowance | 9,016 |
| 30 | | |
| 31 | Regulatory profit/(loss) including financial incentives and wash-ups | 24,814 |
| 32 | | |
| 33 | 3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups | (\$000) |
| 34 | Pass through costs | |
| 35 | Rates | 383 |
| 36 | Commerce Act levies | 80 |
| 37 | Industry levies | 266 |
| 38 | CPP specified pass through costs | 569 |
| 39 | Recoverable costs excluding financial incentives and wash-ups | |
| 40 | Electricity lines service charge payable to Transpower | 23,689 |
| 41 | Transpower new Investment contract charges | 2,492 |
| 42 | System operator services | - |
| 43 | Distributed generation allowance | 1,852 |
| 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 | 29,331 |
| 47 | | |

Company Name **WEL Networks**
 For Year Ended **31 March 2016**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).
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| | | (\$000) | |
|----|---|---|--|
| | | CY-1 | CY |
| | | 31 Mar 15 | 31 Mar 16 |
| 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 11 | | |
| 58 | CY-4 31 Mar 12 | | |
| 59 | CY-3 31 Mar 13 | | |
| 60 | CY-2 31 Mar 14 | | |
| 61 | CY-1 31 Mar 15 | | |
| 62 | Net incremental rolling incentive scheme | | - |
| 63 | | | |
| 64 | Net recoverable costs allowed under incremental rolling incentive scheme | | - |
| 65 | 3(iv): Merger and Acquisition Expenditure | | |
| 70 | | | (\$000) |
| 66 | Merger and acquisition expenditure | | |
| 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 2016**

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.

| for year ended | 31 Mar 12 (\$'000) | 31 Mar 13 (\$'000) | 31 Mar 14 (\$'000) | 31 Mar 15 (\$'000) | 31 Mar 16 (\$'000) |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| 4(i): Regulatory Asset Base Value (Rolled Forward) | | | | | |
| Total opening RAB value | 400,162 | 422,189 | 459,970 | 475,614 | 486,846 |
| less Total depreciation | 14,603 | 15,874 | 19,644 | 19,241 | 20,388 |
| plus Total revaluations | 6,279 | 3,611 | 6,999 | 398 | 2,845 |
| plus Assets commissioned | 30,527 | 51,534 | 32,341 | 30,676 | 38,981 |
| less Asset disposals | 195 | 1,490 | 4,052 | 601 | 268 |
| plus Lost and found assets adjustment | - | - | - | - | - |
| plus Adjustment resulting from asset allocation | - | - | - | (0) | (0) |
| Total closing RAB value | 422,169 | 459,970 | 475,614 | 486,846 | 508,016 |

| | Unallocated RAB * (\$'000) | RAB (\$'000) |
|---|-------------------------------|-----------------|
| 4(ii): Unallocated Regulatory Asset Base | | |
| Total opening RAB value | 486,846 | 486,846 |
| less Total depreciation | 20,388 | 20,388 |
| plus Total revaluations | 2,845 | 2,845 |
| plus Assets commissioned (other than below) | | |
| Assets acquired from a regulated supplier | | |
| Assets acquired from a related party | | |
| Assets commissioned | 38,981 | 38,981 |
| less Asset disposals (other than below) | | |
| Asset disposals to a regulated supplier | 268 | 268 |
| Asset disposals to a related party | | |
| Asset disposals | 268 | 268 |
| plus Lost and found assets adjustment | | |
| plus Adjustment resulting from asset allocation | | (0) |
| Total closing RAB value | 508,017 | 508,016 |

* 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.

Company Name **WEL Networks**
For Year Ended **31 March 2016**

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.

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4(v): Regulatory Depreciation

| | | | |
|----|--|--------|--------|
| 76 | Depreciation - standard | 16,628 | 16,628 |
| 77 | Depreciation - no standard life assets | | |
| 78 | Depreciation - modified life assets | 3,760 | 3,760 |
| 79 | Depreciation - alternative depreciation in accordance with CPP | | |
| 80 | Total depreciation | 20,388 | 20,388 |

4(vi): Disclosure of Changes to Depreciation Profiles

| 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 | Closing RAB value under 'standard' depreciation |
|---|---|--|---|---|
| 86 | | | | |
| 87 | | | | |
| 88 | | | | |
| 89 | | | | |
| 90 | | | | |
| 91 | | | | |
| 92 | | | | |
| 93 | | | | |
| 94 | | | | |
| 95 | | | | |

* include additional rows if needed

4(vii): Disclosure by Asset Category

| | Subtransmission lines | Subtransmission cables | Zone substations | Distribution and LV lines | Distribution and LV cables | Distribution substations and transformers | Distribution switchgear | Other network assets | Non-network assets | Total |
|-----|---|------------------------|------------------|---------------------------|----------------------------|---|-------------------------|----------------------|--------------------|---------|
| 98 | 21,805 | 54,118 | 67,922 | 94,294 | 122,105 | 55,153 | 21,533 | 17,379 | 32,537 | 486,846 |
| 99 | less Total depreciation | 1,363 | 2,350 | 3,338 | 5,085 | 1,996 | 878 | 1,064 | 3,760 | 20,388 |
| 100 | plus Total revaluations | 128 | 318 | 307 | 553 | 323 | 125 | 101 | 183 | 2,845 |
| 101 | plus Assets commissioned | 87 | 3,637 | 1,581 | 6,638 | 4,470 | 3,215 | 687 | 3,909 | 36,981 |
| 102 | less Asset disposals | - | - | - | - | - | - | - | 268 | - |
| 103 | plus Lost and found assets adjustment | - | - | - | - | - | - | - | - | - |
| 104 | plus Adjustment resulting from asset allocation | - | - | - | - | - | - | - | - | - |
| 105 | plus Asset category transfers | - | - | - | - | - | - | - | - | - |
| 106 | Total closing RAB value | 21,471 | 56,709 | 67,550 | 98,147 | 132,490 | 23,995 | 17,104 | 32,601 | 508,016 |

| | | | | | | | | | | |
|-----|--|------|------|------|------|------|------|------|------|---------|
| 107 | Asset Life | 43.9 | 43.6 | 33.8 | 38.1 | 38.8 | 33.1 | 10.4 | 16.1 | (years) |
| 108 | Weighted average remaining asset life | 59.1 | 53.0 | 44.0 | 57.4 | 53.1 | 46.2 | 14.7 | 18.5 | (years) |
| 109 | Weighted average expected total asset life | | | | | | | | | |



Company Name **WEL Networks**
 For Year Ended **31 March 2016**

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 70.

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| 5a(i): Regulatory Tax Allowance | | (\$000) | |
|--|--|----------------|---------------|
| 7 | Regulatory profit / (loss) before tax | | 33,830 |
| 10 | <i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable | 2,764 | * |
| 11 | Expenditure or loss in regulatory profit / (loss) before tax but not deductible | 7 | * |
| 12 | Amortisation of initial differences in asset values | 7,095 | |
| 13 | Amortisation of revaluations | 1,833 | |
| 14 | | | 11,699 |
| 16 | <i>less</i> Total revaluations | 2,845 | |
| 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 | 10,485 | |
| 21 | | | 13,330 |
| 23 | Regulatory taxable income | | 32,199 |
| 25 | <i>less</i> Utilised tax losses | - | |
| 26 | Regulatory net taxable income | | 32,199 |
| 27 | Corporate tax rate (%) | 28% | |
| 29 | Regulatory tax allowance | | 9,016 |

* 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

| 5a(iii): Amortisation of Initial Difference in Asset Values | | (\$000) | |
|--|---|----------------|----------------|
| 36 | Opening unamortised initial differences in asset values | 127,714 | |
| 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 | | 120,619 |
| 42 | Opening weighted average remaining useful life of relevant assets (years) | | 18 |

Company Name **WEL Networks**
 For Year Ended **31 March 2016**

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

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| | | | | | |
|----|--|--|----------|-------|----------|
| 44 | 5a(iv): Amortisation of Revaluations | | | | (\$000) |
| 45 | | | | | |
| 46 | Opening sum of RAB values without revaluations | | 459,273 | | |
| 47 | | | | | |
| 48 | Adjusted depreciation | | 18,555 | | |
| 49 | Total depreciation | | 20,388 | | |
| 50 | Amortisation of revaluations | | | 1,833 | |
| 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 | | (22,038) | | |
| 61 | | | | | |
| 62 | plus Tax effect of adjusted depreciation | | 5,195 | | |
| 63 | | | | | |
| 64 | less Tax effect of tax depreciation | | 7,969 | | |
| 65 | | | | | |
| 66 | plus Tax effect of other temporary differences* | | | | |
| 67 | | | | | |
| 68 | less Tax effect of amortisation of initial differences in asset values | | 1,987 | | |
| 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 | | 5 | | |
| 73 | | | | | |
| 74 | plus Deferred tax cost allocation adjustment | | 0 | | |
| 75 | | | | | |
| 76 | Closing deferred tax | | | | (26,803) |
| 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 | | 250,657 | | |
| 84 | less Tax depreciation | | 28,459 | | |
| 85 | plus Regulatory tax asset value of assets commissioned | | 38,031 | | |
| 86 | less Regulatory tax asset value of asset disposals | | 967 | | |
| 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 | | | | 259,262 |

Company Name **WEL Networks**
 For Year Ended **31 March 2016**

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.

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| | (\$'000) |
|--|----------|
| 5b(i): Summary—Related Party Transactions | |
| Total regulatory income | |
| Operational expenditure | |
| Capital expenditure | |
| Market value of asset disposals | |
| Other related party transactions | |

| 5b(ii): Entities Involved in Related Party Transactions | Related party relationship |
|--|----------------------------|
| Name of related party | |
| | |
| | |
| | |
| | |

* include additional rows if needed

| 5b(iii): Related Party Transactions | Related party transaction type | Description of transaction | Value of transaction (\$'000) | Basis for determining value |
|--|--------------------------------|----------------------------|-------------------------------|-----------------------------|
| Name of related party | [Select one] | | | [Select one] |
| | [Select one] | | | [Select one] |
| | [Select one] | | | [Select one] |
| | [Select one] | | | [Select one] |
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| | [Select one] | | | [Select one] |

* include additional rows if needed



Company Name **WEL Networks**
For Year Ended **31 March 2016**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDIs 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.

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| | | Value allocated (\$000s) | | | |
|--|---|-----------------------------------|---------------------------------------|-------------------------------------|-------|
| | | Electricity distribution services | Non-electricity distribution services | OVABAA allocation increase (\$000s) | Total |
| 5d(i): Operating Cost Allocations | | | | | |
| Service interruptions and emergencies | | | | | |
| 7 | Directly attributable | 2,237 | | | |
| 8 | Not directly attributable | | | | |
| 10 | Total attributable to regulated service | 2,237 | | | |
| Vegetation management | | | | | |
| 14 | Directly attributable | 1,309 | | | |
| 15 | Not directly attributable | | | | |
| 16 | Total attributable to regulated service | 1,309 | | | |
| Routine and corrective maintenance and inspection | | | | | |
| 18 | Directly attributable | 1,443 | | | |
| 19 | Not directly attributable | | | | |
| 20 | Total attributable to regulated service | 1,443 | | | |
| Asset replacement and renewal | | | | | |
| 22 | Directly attributable | 1,598 | | | |
| 23 | Not directly attributable | | | | |
| 24 | Total attributable to regulated service | 1,598 | | | |
| System operations and network support | | | | | |
| 26 | Directly attributable | 3,811 | | | |
| 27 | Not directly attributable | | | | |
| 28 | Total attributable to regulated service | 3,811 | | | |
| Business support | | | | | |
| 30 | Directly attributable | | | | |
| 31 | Not directly attributable | 9,712 | 1,203 | 10,915 | |
| 32 | Total attributable to regulated service | 9,712 | 1,203 | 10,915 | |
| 33 | Operating costs directly attributable | 10,399 | | | |
| 34 | Operating costs not directly attributable | 9,712 | 1,203 | 10,915 | |
| 35 | Operational expenditure | 20,110 | | | |
| 36 | | | | | |
| 37 | | | | | |
| 38 | | | | | |



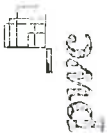
| | |
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| Company Name | WEL Networks |
| For Year Ended | 31 March 2016 |

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.

EDB ref:

| | | | |
|----|---|--------|--|
| 39 | 5d(ii): Other Cost Allocations | | |
| 40 | Pass through and recoverable costs | | |
| 41 | Pass through costs | | |
| 42 | Directly attributable | 1,298 | |
| 43 | Not directly attributable | 1,298 | |
| 44 | Total attributable to regulated service | | |
| 45 | Recoverable costs | | |
| 46 | Directly attributable | 28,033 | |
| 47 | Not directly attributable | 28,033 | |
| 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 | | | |
| 61 | Change in cost allocation 2 | | |
| 62 | Cost category | | |
| 63 | Original allocator or line items | | |
| 64 | New allocator or line items | | |
| 65 | | | |
| 66 | Rationale for change | | |
| 67 | | | |
| 68 | | | |
| 69 | | | |
| 70 | Change in cost allocation 3 | | |
| 71 | Cost category | | |
| 72 | Original allocator or line items | | |
| 73 | New allocator or line items | | |
| 74 | | | |
| 75 | Rationale for change | | |
| 76 | | | |
| 77 | | | |
| 78 | * 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. | | |
| 79 | † Include additional rows if needed | | |



| | |
|----------------|---------------|
| Company Name | WEL Networks |
| For Year Ended | 31 March 2016 |

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

| 5e(i): Regulated Service Asset Values | | Value allocated (\$000s) |
|---------------------------------------|--|-----------------------------------|
| | | Electricity distribution services |
| 7 | Subtransmission lines | |
| 8 | Directly attributable | 21,472 |
| 9 | Not directly attributable | |
| 10 | Total attributable to regulated service | 21,472 |
| 11 | Subtransmission cables | |
| 12 | Directly attributable | 56,709 |
| 13 | Not directly attributable | |
| 14 | Total attributable to regulated service | 56,709 |
| 15 | Zone substations | |
| 16 | Directly attributable | 67,550 |
| 17 | Not directly attributable | |
| 18 | Total attributable to regulated service | 67,550 |
| 19 | Distribution and LV lines | |
| 20 | Directly attributable | 93,262 |
| 21 | Not directly attributable | 4,885 |
| 22 | Total attributable to regulated service | 98,147 |
| 23 | Distribution and LV cables | |
| 24 | Directly attributable | 132,490 |
| 25 | Not directly attributable | |
| 26 | Total attributable to regulated service | 132,490 |
| 27 | Distribution substations and transformers | |
| 28 | Directly attributable | 57,950 |
| 29 | Not directly attributable | |
| 30 | Total attributable to regulated service | 57,950 |
| 31 | Distribution switchgear | |
| 32 | Directly attributable | 23,995 |
| 33 | Not directly attributable | |
| 34 | Total attributable to regulated service | 23,995 |
| 35 | Other network assets | |
| 36 | Directly attributable | 17,104 |
| 37 | Not directly attributable | |
| 38 | Total attributable to regulated service | 17,104 |
| 39 | Non-network assets | |
| 40 | Directly attributable | 32,600 |
| 41 | Not directly attributable | |
| 42 | Total attributable to regulated service | 32,600 |
| 43 | Regulated service asset value directly attributable | 503,132 |
| 44 | Regulated service asset value not directly attributable | 4,885 |
| 45 | Total closing RAB value | 508,016 |

| 5e(ii): Changes in Asset Allocations* † | | (\$000) | |
|---|---|---------|-------------------|
| | | CY-1 | Current Year (CY) |
| 51 | Change in asset value allocation 1 | | |
| 52 | Asset category | | |
| 53 | Original allocator or line items | | |
| 54 | New allocator or line items | | |
| 55 | | | |
| 56 | | | |
| 57 | | | |
| 58 | Rationale for change | | |
| 59 | | | |
| 60 | | | |
| 61 | Change in asset value allocation 2 | | |
| 62 | Asset category | | |
| 63 | Original allocator or line items | | |
| 64 | New allocator or line items | | |
| 65 | | | |
| 66 | | | |
| 67 | | | |
| 68 | Rationale for change | | |
| 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 | | | |
| 77 | | | |
| 78 | Rationale for change | | |
| 79 | | | |

* 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 **WEL Networks**
For Year Ended **31 March 2016**

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

7

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

Yes

8

9

| 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 | 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 | Insert cost description | | | | | | | | |
| 17 | Not directly attributable | | | | | | | | |
| Vegetation management | | | | | | | | | |
| 18 | Insert cost description | Allocator 1 | [Select one] | | | | | | |
| 19 | Insert cost description | Allocator 2 | [Select one] | | | | | | |
| 20 | Insert cost description | Allocator 3 | [Select one] | | | | | | |
| 21 | Insert cost description | Allocator 4 | [Select one] | | | | | | |
| 22 | Insert cost description | | | | | | | | |
| 23 | Not directly attributable | | | | | | | | |
| Routine and corrective maintenance and inspection | | | | | | | | | |
| 24 | Insert cost description | Allocator 1 | [Select one] | | | | | | |
| 25 | Insert cost description | Allocator 2 | [Select one] | | | | | | |
| 26 | Insert cost description | Allocator 3 | [Select one] | | | | | | |
| 27 | Insert cost description | Allocator 4 | [Select one] | | | | | | |
| 28 | Insert cost description | | | | | | | | |
| 29 | Not directly attributable | | | | | | | | |
| Asset replacement and renewal | | | | | | | | | |
| 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 | Insert cost description | | | | | | | | |
| 35 | Not directly attributable | | | | | | | | |
| 36 | | | | | | | | | |

| |
|----------------------|
| WEL Networks |
| 31 March 2016 |

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 | 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 | Audit Fees | Estimate of Audit hours | | Causal | 326 | 20 | 346 | | |
| 45 | Insurance | Estimate of Asset Use | | Proxy | 623 | 25 | 647 | | |
| 46 | Property | Estimate Space Used | | Proxy | 1,456 | 191 | 1,648 | | |
| 47 | Staff Costs | Estimate of Time | | Proxy | 7,307 | 967 | 8,274 | | |
| 48 | Not directly attributable | | | | | | | | |
| 49 | Operating costs not directly attributable | | | | | | | | |
| 50 | | | | | | 9,712 | 1,203 | 10,915 | |
| 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 | <i>* include additional rows if needed</i> | | | | | | | | |



Company Name
For Year Ended

WEL Networks
31 March 2016

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

Yes

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

| 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] | | | | | | |
| 16 | Insert asset description | | | | | | | | |
| 17 | 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] | | | | | | |
| 22 | Insert asset description | | | | | | | | |
| 23 | 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] | | | | | | |
| 28 | Insert asset description | | | | | | | | |
| 29 | Not directly attributable | | | | | | | | |
| Distribution and LV lines | | | | | | | | | |
| 30 | % of Poles with Fibre to total Poles | | | 95.02% | 4.98% | | 93,262 | 4,885 | 98,147 |
| 31 | Insert asset description | Allocator 1 | [Select one] | | | | | | |
| 32 | Insert asset description | Allocator 2 | [Select one] | | | | | | |
| 33 | Insert asset description | Allocator 3 | [Select one] | | | | | | |
| 34 | Insert asset description | Allocator 4 | [Select one] | | | | 93,262 | 4,885 | 98,147 |
| 35 | Not directly attributable | | | | | | | | |



Company Name
WEL Networks
 For Year Ended
31 March 2016

SCHEDULE 56: 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 56 (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 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
|---------|---|-----------|-------------|--------------|--|--------|-------|--------|
| 36 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 37 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 38 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 39 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 40 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 41 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 42 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 43 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 44 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 45 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 46 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 47 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 48 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 49 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 50 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 51 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 52 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 53 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 54 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 55 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 56 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 57 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 58 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 59 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 60 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 61 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 62 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 63 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 64 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 65 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 66 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| 67 | Insert asset description | e.g. ABAA | Allocator 4 | [Select one] | | | | |
| 68 | Insert asset description | e.g. ABAA | Allocator 1 | [Select one] | | | | |
| 69 | Insert asset description | e.g. ABAA | Allocator 2 | [Select one] | | | | |
| 70 | Insert asset description | e.g. ABAA | Allocator 3 | [Select one] | | | | |
| | Regulated service asset value not directly attributable | | | | | 93,262 | 4,885 | 98,147 |

* include additional rows if needed



Company Name **WEL Networks**
 For Year Ended **31 March 2016**

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

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

sch ref

| | | | |
|----|--|-------|--------|
| 7 | 6a(i): Expenditure on Assets | | |
| 8 | Consumer connection | | 10,636 |
| 9 | System growth | | 9,047 |
| 10 | Asset replacement and renewal | | 10,602 |
| 11 | Asset relocations | | 2,904 |
| 12 | Reliability, safety and environment: | | |
| 13 | Quality of supply | 531 | |
| 14 | Legislative and regulatory | 271 | |
| 15 | Other reliability, safety and environment | 1,714 | |
| 16 | Total reliability, safety and environment | | 2,515 |
| 17 | Expenditure on network assets | | 35,705 |
| 18 | Expenditure on non-network assets | | 3,328 |
| 19 | | | |
| 20 | Expenditure on assets | | 39,033 |
| 21 | plus Cost of financing | | 952 |
| 22 | less Value of capital contributions | | 4,480 |
| 23 | plus Value of vested assets | | |
| 24 | | | |
| 25 | Capital expenditure | | 35,505 |

| | | | |
|----|--|--|-----|
| 26 | 6a(ii): Subcomponents of Expenditure on Assets (where known) | | |
| 27 | Energy efficiency and demand side management, reduction of energy losses | | 359 |
| 28 | Overhead to underground conversion | | 274 |
| 29 | Research and development | | - |

| | | | |
|----|--|-------|--------|
| 30 | 6a(iii): Consumer Connection | | |
| 31 | <i>Consumer types defined by EDB*</i> | | |
| 32 | Residential Low User | 4,555 | |
| | Residential Standard User | 2,911 | |
| | Small Business | 1,222 | |
| | Small Scale DG Low User | 20 | |
| | Small Scale DG Standard User | 19 | |
| | Street lighting | 6 | |
| | Medium Voltage (11kV) | 424 | |
| 33 | High Voltage (33kV) | 80 | |
| 34 | Low Voltage (400V) | 1,399 | |
| 35 | Other Unmetered | - | |
| 36 | Asset Specific Customer | - | |
| 37 | <i>* Include additional rows if needed</i> | | |
| 38 | Consumer connection expenditure | | 10,636 |
| 39 | | | |
| 40 | less Capital contributions funding consumer connection expenditure | 2,929 | |
| 41 | Consumer connection less capital contributions | | 7,707 |

| | | | |
|----|--|----------------------|--------------------------------------|
| 42 | 6a(iv): System Growth and Asset Replacement and Renewal | | |
| 43 | | | |
| 44 | | System Growth | Asset Replacement and Renewal |
| 45 | Subtransmission | - | 62 |
| 46 | Zone substations | 4,171 | 222 |
| 47 | Distribution and LV lines | 1,201 | 6,121 |
| 48 | Distribution and LV cables | 1,008 | 643 |
| 49 | Distribution substations and transformers | 516 | 1,239 |
| 50 | Distribution switchgear | - | 1,232 |
| 51 | Other network assets | 2,151 | 1,084 |
| 52 | System growth and asset replacement and renewal expenditure | 9,047 | 10,602 |
| 53 | less Capital contributions funding system growth and asset replacement and renewal | 227 | 270 |
| 54 | System growth and asset replacement and renewal less capital contributions | 8,821 | 10,333 |
| 55 | | | |

| | | | |
|----|--|-------|--|
| 56 | 6a(v): Asset Relocations | | |
| 57 | <i>Project or programme*</i> | | |
| 58 | Relocations | 2,388 | |
| 59 | SH1 Huntly Bypass | 242 | |
| 60 | Undergrounding | 274 | |
| 61 | - | - | |
| 62 | - | - | |
| 63 | <i>* Include additional rows if needed</i> | | |
| 64 | All other projects or programmes - asset relocations | - | |

Company Name **WEL Networks**

For Year Ended **31 March 2016**

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 | | | |
|---------|--|-------|-------|
| 65 | Asset relocations expenditure | | 2,904 |
| 66 | less Capital contributions funding asset relocations | 1,009 | |
| 67 | Asset relocations less capital contributions | | 1,895 |

Company Name **WEL Networks**

For Year Ended **31 March 2016**

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**

| Project or programme* | (\$000) | (\$000) |
|--|---------|------------|
| Voltage upgrade projects due to monitoring | 401 | |
| Power Quality | 130 | |
| - | - | |
| - | - | |
| - | - | |
| * include additional rows if needed | | |
| All other projects programmes - quality of supply | - | |
| Quality of supply expenditure | | 531 |
| less Capital contributions funding quality of supply | 46 | |
| Quality of supply less capital contributions | | 485 |

81 **6a(vii): Legislative and Regulatory**

| Project or programme* | (\$000) | (\$000) |
|---|---------|------------|
| Seismic upgrades of substations | 271 | |
| - | - | |
| - | - | |
| - | - | |
| - | - | |
| * include additional rows if needed | | |
| All other projects or programmes - legislative and regulatory | - | |
| Legislative and regulatory expenditure | | 271 |
| less Capital contributions funding legislative and regulatory | - | |
| Legislative and regulatory less capital contributions | | 271 |

93 **6a(viii): Other Reliability, Safety and Environment**

| Project or programme* | (\$000) | (\$000) |
|--|---------|--------------|
| Network Automation | 691 | |
| Arc Flash protection installation | 728 | |
| - | - | |
| - | - | |
| - | - | |
| * include additional rows if needed | | |
| All other projects or programmes - other reliability, safety and environment | 295 | |
| Other reliability, safety and environment expenditure | | 1,714 |
| less Capital contributions funding other reliability, safety and environment | - | |
| Other reliability, safety and environment less capital contributions | | 1,714 |

106 **6a(ix): Non-Network Assets**

| Routine expenditure | | |
|---|---------|--------------|
| Project or programme* | (\$000) | (\$000) |
| Computer Equipment | 189 | |
| Comp Software | 1,453 | |
| Plant and Equipment | 629 | |
| Motor Vehicles | 1,057 | |
| - | - | |
| * include additional rows if needed | | |
| All other projects or programmes - routine expenditure | - | |
| Routine expenditure | | 3,328 |
| Atypical expenditure | | |
| Project or programme* | (\$000) | (\$000) |
| - | - | |
| - | - | |
| - | - | |
| - | - | |
| * include additional rows if needed | | |
| All other projects or programmes - atypical expenditure | - | |
| Atypical expenditure | | - |
| Expenditure on non-network assets | | 3,328 |

| | |
|-----------------------|----------------------|
| Company Name | WEL Networks |
| For Year Ended | 31 March 2016 |

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

| | | |
|----|---|-------|
| 7 | 6b(i): Operational Expenditure | |
| 8 | Service interruptions and emergencies | 2,237 |
| 9 | Vegetation management | 1,309 |
| 10 | Routine and corrective maintenance and inspection | 1,443 |
| 11 | Asset replacement and renewal | 1,598 |

| | |
|---------------------------------------|--------------|
| Network opex | 6,588 |
| System operations and network support | 3,811 |
| Business support | 10,915 |

| | |
|--------------------------------|---------------|
| Non-network opex | 14,726 |
| Operational expenditure | 21,314 |

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

| | | |
|----|--|-------|
| 18 | Energy efficiency and demand side management, reduction of energy losses | 526 |
| 19 | Direct billing* | - |
| 20 | Research and development | 1,088 |
| 21 | Insurance | 441 |

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



Company Name **WEL Networks**For Year Ended **31 March 2016****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 | 97,914 | 99,479 | 2% |
| 7(ii): Expenditure on Assets | | Forecast (\$000) ² | Actual (\$000) | % variance |
| 9 | | | | |
| 10 | Consumer connection | 8,152 | 10,636 | 30% |
| 11 | System growth | 11,754 | 9,047 | (23%) |
| 12 | Asset replacement and renewal | 11,577 | 10,602 | (8%) |
| 13 | Asset relocations | 1,938 | 2,904 | 50% |
| 14 | Reliability, safety and environment: | | | |
| 15 | Quality of supply | 869 | 531 | (39%) |
| 16 | Legislative and regulatory | 394 | 271 | (31%) |
| 17 | Other reliability, safety and environment | 2,075 | 1,714 | (17%) |
| 18 | Total reliability, safety and environment | 3,338 | 2,515 | (25%) |
| 19 | Expenditure on network assets | 36,760 | 35,705 | (3%) |
| 20 | Expenditure on non-network assets | 5,075 | 3,328 | (34%) |
| 21 | Expenditure on assets | 41,834 | 39,033 | (7%) |
| 7(iii): Operational Expenditure | | | | |
| 22 | | | | |
| 23 | Service interruptions and emergencies | 2,842 | 2,237 | (21%) |
| 24 | Vegetation management | 1,316 | 1,309 | (1%) |
| 25 | Routine and corrective maintenance and inspection | 2,011 | 1,443 | (28%) |
| 26 | Asset replacement and renewal | 2,103 | 1,598 | (24%) |
| 27 | Network opex | 8,273 | 6,588 | (20%) |
| 28 | System operations and network support | 5,042 | 3,811 | (24%) |
| 29 | Business support | 8,121 | 10,915 | 34% |
| 30 | Non-network opex | 13,163 | 14,726 | 12% |
| 31 | Operational expenditure | 21,436 | 21,314 | (1%) |
| 7(iv): Subcomponents of Expenditure on Assets (where known) | | | | |
| 32 | | | | |
| 33 | Energy efficiency and demand side management, reduction of energy losses | 931 | 359 | (61%) |
| 34 | Overhead to underground conversion | 250 | 274 | 10% |
| 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 | 802 | 526 | (34%) |
| 39 | Direct billing | - | - | - |
| 40 | Research and development | 10 | 1,088 | 10,775% |
| 41 | Insurance | 463 | 441 | (5%) |
| 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 2016 |
| Network / Sub-network Name | |

SCHEDULE 9a: ASSET REGISTER

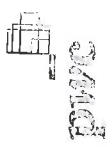
This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

| 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) |
| | 9 | All | Overhead Line | Concrete poles / steel structure | No. | 37,147 | 37,080 | (67) | 3 |
| | 10 | All | Overhead Line | Wood poles | No. | 2,392 | 2,297 | (95) | 3 |
| | 11 | All | Overhead Line | Other pole types | No. | 10 | 10 | - | 3 |
| | 12 | HV | Subtransmission Line | Subtransmission OH up to 66kV conductor | km | 195 | 191 | (4) | 3 |
| | 13 | HV | Subtransmission Line | Subtransmission OH 110kV+ conductor | km | - | - | - | N/A |
| | 14 | HV | Subtransmission Cable | Subtransmission UG up to 66kV (XLPE) | km | 232 | 231 | (1) | 3 |
| | 15 | HV | Subtransmission Cable | Subtransmission UG up to 66kV (DII 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. | 25 | 25 | - | 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. | 62 | 55 | (7) | 4 |
| | 29 | HV | Zone substation switchgear | 33kV RMU | No. | 9 | 9 | - | 4 |
| | 30 | HV | Zone substation switchgear | 22/33kV CB (Indoor) | No. | 96 | 104 | 8 | 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. | 49 | 50 | 1 | 3 |
| | 35 | HV | Distribution Line | Distribution OH Open Wire Conductor | km | 1,954 | 1,939 | (15) | 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 | 524 | 550 | 26 | 3 |
| | 39 | HV | Distribution Cable | Distribution UG PILC | km | 125 | 117 | (9) | 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. | 137 | 143 | 6 | 3 |
| | 42 | HV | Distribution switchgear | 3.3/6.6/11/22kV CB (Indoor) | No. | 377 | 373 | (4) | 3 |
| | 43 | HV | Distribution switchgear | 3.3/6.6/11/22kV Switches and fuses (pole mounted) | No. | 6,172 | 6,055 | (117) | 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. | 978 | 1,012 | 34 | 3 |
| | 46 | HV | Distribution Transformer | Pole Mounted Transformer | No. | 4,002 | 3,988 | (14) | 3 |
| | 47 | HV | Distribution Transformer | Ground Mounted Transformer | No. | 1,842 | 1,895 | 53 | 3 |
| | 48 | HV | Distribution Transformer | Voltage regulators | No. | 15 | 14 | (1) | 3 |
| | 49 | HV | Distribution Substations | Ground Mounted Substation Housing | No. | - | - | - | N/A |
| | 50 | LV | LV Line | LV OH Conductor | km | 1,079 | 1,069 | (10) | 3 |
| | 51 | LV | LV Cable | LV UG Cable | km | 1,174 | 1,227 | 53 | 3 |
| | 52 | LV | LV Street lighting | LV OH/UG Streetlight circuit | km | 1,165 | 1,179 | 14 | 3 |
| | 53 | LV | Connections | OH/UG consumer service connections | No. | 88,491 | 89,663 | 1,172 | 2 |
| | 54 | All | Protection | Protection relays (electromechanical, solid state and numeric) | No. | 908 | 923 | 15 | 3 |
| | 55 | All | SCADA and communications | SCADA and communications equipment operating as a single system | Lot | 1,019 | 1,146 | 127 | 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. | 53,693 | 54,473 | 780 | 1 |
| | 59 | All | Civils | Cable Tunnels | km | - | - | - | N/A |

SCHEDULE 9B: ASSET AGE PROFILE

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

| Age | Voltage | Asset Category | End of year (year ended) | | | | | | | | | | | | Total | No. with No. with No. with | This category This category This category | This category This category This category |
|-----|---------|---|--------------------------|------|------|------|------|------|------|------|------|------|------|------|-------|----------------------------------|---|---|
| | | | 1948 | 1949 | 1950 | 1951 | 1952 | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 | 1959 | | | | |
| 01 | All | Asset class | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 02 | All | Overhead Line | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 03 | All | Underground Cable | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 04 | All | Subtransmission Line | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 05 | All | Subtransmission Cable | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 06 | All | Subtransmission UG up to 66kV (33kV) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 07 | All | Subtransmission UG up to 66kV (66kV) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 08 | All | Subtransmission UG up to 66kV (66kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 09 | All | Subtransmission UG up to 66kV (66kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 10 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 11 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 12 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 13 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 14 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 15 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 16 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 17 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 18 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 19 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 20 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 21 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 22 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 23 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 24 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 25 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 26 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 27 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 28 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 29 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 30 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 31 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 32 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 33 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 34 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 35 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 36 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 37 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 38 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 39 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| 40 | All | Subtransmission UG (110kV) (pre-2000) | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |



| | |
|----------------------------|---------------|
| Company Name | WEL Networks |
| For Year Ended | 31 March 2016 |
| 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 | 191 | 246 |
| 14 | SWER (all SWER voltages) | - | - |
| 15 | 22kV (other than SWER) | - | - |
| 16 | 6.6kV to 11kV (Inclusive—other than SWER) | 1,939 | 666 |
| 17 | Low voltage (< 1kV) | 1,069 | 1,227 |
| 18 | Total circuit length (for supply) | 3,199 | 2,140 |
| 19 | | | |
| 20 | Dedicated street lighting circuit length (km) | 266 | 914 |
| 21 | Circuit in sensitive areas (conservation areas, iwi territory etc) (km) | | 905 |
| 22 | | | |
| 23 | Overhead circuit length by terrain (at year end) | Circuit length (km) | (% of total overhead length) |
| 24 | Urban | 526 | 16% |
| 25 | Rural | 1,954 | 61% |
| 26 | Remote only | - | - |
| 27 | Rugged only | 709 | 22% |
| 28 | Remote and rugged | - | - |
| 29 | Unallocated overhead lines | - | - |
| 30 | Total overhead length | 3,199 | 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 | 3,199 | 100% |

Company Name **WEL Networks**
 For Year Ended **31 March 2016**

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

| 8 | Location * | Number of ICPs served | Line charge revenue (\$000) |
|----|---|-----------------------|-----------------------------|
| 10 | Brick St | 17 | 114 |
| 11 | Flagship | 3 | 80 |
| 12 | Half Moon Bay | 59 | 50 |
| 13 | Hulme Place | 32 | 17 |
| 14 | Jeffs Road Dannemora | 881 | 599 |
| 15 | Kirkdale | 266 | 178 |
| 16 | Oaklands | 178 | 142 |
| 17 | Porchester Road | 277 | 178 |
| 18 | Ryan Place | 51 | 32 |
| 19 | Southgate | 101 | 67 |
| 20 | | | |
| 21 | | | |
| 22 | | | |
| 23 | | | |
| 24 | | | |
| 25 | | | |
| 26 | * Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network | | |

Company Name **WEL Networks**
 For Year Ended **31 March 2016**
 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 | Residential Low User (1153) | 268 |
| | Residential Standard User (1154) | 669 |
| | Small Business (1200) | 548 |
| | Small Scale DG Low User (1250) | 6 |
| | Small Scale DG Standard User (1251) | 5 |
| | Streetlighting (1293) | |
| | Medium Voltage (11kV) (1354) | |
| 12 | High Voltage (33kV) (1357) | |
| 13 | Low Voltage (400V) (1360) | 17 |
| 14 | Other Unmetered (1450) | 4 |
| 15 | | |
| 16 | * include additional rows if needed | |
| 17 | Connections total | 1,517 |
| 18 | Distributed generation | |
| 19 | Number of connections made in year | 120 connections |
| 20 | Capacity of distributed generation installed in year | 1.04 MVA |
| 21 | | |
| 22 | 9e(ii): System Demand | |
| 23 | | |
| 24 | | Demand at time of maximum coincident demand (MW) |
| 25 | Maximum coincident system demand | |
| 26 | GXP demand | 258 |
| 27 | plus Distributed generation output at HV and above | 2 |
| 28 | Maximum coincident system demand | 260 |
| 29 | less Net transfers to (from) other EDBs at HV and above | |
| 30 | Demand on system for supply to consumers' connection points | 260 |
| 31 | Electricity volumes carried | Energy (GWh) |
| 32 | Electricity supplied from GXPs | 936 |
| 33 | less Electricity exports to GXPs | 100 |
| 34 | plus Electricity supplied from distributed generation | 431 |
| 35 | less Net electricity supplied to (from) other EDBs | (15) |
| 36 | Electricity entering system for supply to consumers' connection points | 1,283 |
| 37 | less Total energy delivered to ICPs | 1,225 |
| 38 | Electricity losses (loss ratio) | 58 4.5% |
| 39 | | |
| 40 | Load factor | 0.56 |
| 41 | 9e(iii): Transformer Capacity | |
| 42 | | (MVA) |
| 43 | Distribution transformer capacity (EDB owned) | 874 |
| 44 | Distribution transformer capacity (Non-EDB owned, estimated) | 25 |
| 45 | Total distribution transformer capacity | 899 |
| 46 | | |
| 47 | Zone substation transformer capacity | 766 |

| | |
|----------------------------|----------------------|
| Company Name | WEL Networks |
| For Year Ended | 31 March 2016 |
| 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) | | 409 |
| 12 | Class C (unplanned interruptions on the network) | | 484 |
| 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) | | 2 |
| 17 | Class H (planned interruptions caused by another disclosing entity) | | - |
| 18 | Class I (interruptions caused by parties not included above) | | - |
| 19 | Total | | 895 |
| 20 | | | |
| 21 | Interruption restoration | ≤3Hrs | >3hrs |
| 22 | Class C interruptions restored within | 351 | 133 |
| 23 | | | |
| 24 | SAIFI and SAIDI by class | SAIFI | SAIDI |
| 25 | Class A (planned interruptions by Transpower) | - | - |
| 26 | Class B (planned interruptions on the network) | 0.2 | 39.4 |
| 27 | Class C (unplanned interruptions on the network) | 1.1 | 63.9 |
| 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) | 0.0 | 1.1 |
| 32 | Class H (planned interruptions caused by another disclosing entity) | - | - |
| 33 | Class I (interruptions caused by parties not included above) | - | - |
| 34 | Total | 1.32 | 104.4 |
| 35 | | | |
| 36 | Normalised SAIFI and SAIDI | Normalised SAIFI | Normalised SAIDI |
| 37 | Classes B & C (Interruptions on the network) | 1.3 | 103.3 |
| 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 2016 |
| 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

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| Cause | SAIFI | SAIDI |
|--------------------------|-------|-------|
| Lightning | 0.1 | 2.2 |
| Vegetation | 0.1 | 5.4 |
| Adverse weather | 0.1 | 4.4 |
| Adverse environment | - | - |
| Third party interference | 0.4 | 27.1 |
| Wildlife | 0.1 | 4.6 |
| Human error | 0.0 | 0.2 |
| Defective equipment | 0.3 | 17.2 |
| Cause unknown | 0.1 | 2.8 |

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

56
57
58
59
60
61
62
63

| Main equipment Involved | SAIFI | SAIDI |
|------------------------------------|-------|-------|
| Subtransmission lines | - | - |
| Subtransmission cables | - | - |
| Subtransmission other | - | - |
| Distribution lines (excluding LV) | 0.1 | 25.5 |
| Distribution cables (excluding LV) | - | - |
| Distribution other (excluding LV) | 0.1 | 13.9 |

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

65
66
67
68
69
70
71
72

| Main equipment involved | SAIFI | SAIDI |
|------------------------------------|-------|-------|
| Subtransmission lines | 0.1 | 3.4 |
| Subtransmission cables | - | - |
| Subtransmission other | - | - |
| Distribution lines (excluding LV) | 0.7 | 38.1 |
| Distribution cables (excluding LV) | 0.1 | 9.4 |
| Distribution other (excluding LV) | 0.2 | 13.0 |

73 10(v): Fault Rate

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77
78
79
80
81

| Main equipment involved | Number of Faults | Circuit length (km) | Fault rate (faults per 100km) |
|------------------------------------|------------------|---------------------|-------------------------------|
| Subtransmission lines | 4 | 191 | 2.09 |
| Subtransmission cables | - | 246 | - |
| Subtransmission other | - | - | - |
| Distribution lines (excluding LV) | 266 | 1,939 | 13.72 |
| Distribution cables (excluding LV) | 30 | 666 | 4.50 |
| Distribution other (excluding LV) | 184 | - | - |
| Total | 484 | | |

| | |
|----------------|-----------------------------|
| Company Name | <u>WEL Networks Limited</u> |
| For Year Ended | <u>31 March 2016</u> |

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

ROI for FY16 is 4.63% compared to a comparable post tax WACC of 5.37%.

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 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

The material item for regulatory profit is \$2.5M received from WEL subsidiary WNL.

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

Box 3: Explanatory comment on merger and acquisition expenditure

No 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 subclause 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 2015 was \$486.8M and 2016 is now \$508.0M, a positive movement of \$21.2M.

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

The value of assets commissioned but not included in the RAB is \$48.6M

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

An immaterial portion of financing costs related to prior period that were previously unrecognised have been included as assets commissioned in the current period.

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

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 \$7K

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 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)

There are no 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 subclause 2.3.6(1)(b).

Box 7: Related party transactions

No related party transactions

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

No items were reclassified.

Business Support has costs classified as indirectly attributable, as under the Input Memorandum (IM) determination and allocated using ACAM.

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

Indirectly 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. Where capital contributions have been received for replacement of poles relating to fibre then those poles are not included in the indirectly attributable value as the contribution is netted of the capital cost.

33kV assets attributed to fibre have been reclassified to Distribution and LV Lines.

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

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 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

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 assets 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 charges 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 subclause 2.7.1(2).

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

7(ii) Expenditure on assets

Consumer connection was higher than forecast due to higher connections and subdivision development works.

System growth was slightly lower than forecast due to timing delays causing several projects to carry forward from the 15/16 year into the 16/17 year.

Asset replacement and renewal is generally aligned with the forecast.

Asset relocations were significantly higher than forecast due to accelerating of Waikato expressway projects.

Reliability, safety and environment is higher than the forecast mainly due to:

- Quality of supply: Costs were lower than anticipated mainly due to less LVC remedial works.
- Legislative and regulatory: Costs were less than that forecast due to timing delays in the 15/16 work carried forward into the 16/17 year.
- Other reliability, safety and environment: Caro Street Switching Station relocation was cancelled due to unavailability of a suitable site for the relocation after a risk assessment, followed by an upgrade of the protection equipment.

7(iii) Operational Expenditure

- Service interruptions and emergencies: underspend mainly due to a restructure of the first response faults group resulting in better utilisation of the team.
- Vegetation management was aligned with the forecast.
- Routine and corrective maintenance and inspection: underspend mainly due to lower costs in the corrective works categories.
- Asset replacement and renewal: underspend mainly due to the cancellation of two zone transformer midlife refurbishments, one moved to strategic spares and other put into service due to fault requirements.
- System operations and network support costs were lower than forecast due to an organisational structure change with Business Support
- Business Support costs were higher forecast due to an organisational structure change with System operations and network support
- Overall Network Opex is higher than forecast due to less capitalisation

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

The variance between target revenue and total billed revenue for the year is 2%.

16.1 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 and a growth in residential ICP's.

16.2 The difference between total billed revenue and target revenue is 2%. The primary contributing factor to this result are the higher kilowatt hour volumes experienced.

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 103.3

The normalised result for SAIFI was 1.3

For SAIFI performance, 17% was derived from planned outages, 83% was caused by unplanned outages.

For SAIDI, 38% was derived from planned outages, 62% was caused by unplanned outages.

The unplanned SAIDI outcome was impacted by four key factors during the year:

1. Third party interference (42%) mainly from vehicle accidents and diggers hit cables: 16.80 SAIDI minutes were caused by vehicle accidents.
2. Defective equipment (27%) mainly from distribution lines and cable faults.
3. Vegetation (8%)
4. Wildlife (7%)

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.

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

An immaterial portion of financing costs related to prior period that were previously unrecognised have been included as assets commissioned in the current period.

Company Name WEL Networks Limited

For Year Ended 31 March 2016

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

S3(ii) Other specified pass-through costs: This includes electricity line services payable to other regulated suppliers for embedded networks. This is similar to indirect transmission charges which are allowed to be treated as recoverable costs under the DPP.