



Information prepared in accordance with the
Electricity (Information Disclosure) Requirements 2008

Schedules 2 to 13

WEL Networks Limited

Year ended 31 March 2011

Table of Contents

FS1	Regulatory Profit Statement.....	2
FS2	Regulatory Asset and Financing Statement.....	4
FS3	Regulatory Tax Allowance Calculation	5
FS1b:	Related Party Expenditure Notes.....	6
FS1c:	Operational Expenditure Notes.....	7
AV1	Annual Regulatory Valuation Roll-Forward Report	8
AV2	Regulatory Valuation Disclosure by Asset Class	9
AV3	System Fixed Assets Replacement Cost Roll-Forward Report.....	10
AV4	Business Merger, Acquisition or Sale – Regulatory Asset Base Disclosure	11
MP1	Network Information.....	12
MP2	Performance Measures	13
MP3	Price and Quality Measures.....	14
AM1	Expenditure Forecasts and Reconciliation	16

FS1 Regulatory Profit Statement

ref	Electricity Distribution Business:	WEL NETWORKS	
5		For Year Ended	2011
6	Income		
7			(\$000)
8	Net Line Charge Revenue Received	71,291	
9	plus Discretionary Discounts and Customer Rebates	7,825	FS1a
10	Gross Line Charge Income		79,116
11			
12			
13	Capital Contributions	5,479	
14	plus Net Value of Vested Assets	-	
15	Total Capital Contributions and Vested Assets		5,479
16			
17	AC Loss Rental Rebates Received	2,263	
18	less AC Loss Rental Rebates Passed On	1,359	
19	Net AC loss rental income (deficit)		904
20			
21			
22	Other Income	2,482	
23			2,482
24			
25	Total regulatory income		87,981
26			
27			
28	Expenses		
29			
30	Transmission Charges - Payments to Transpower	19,843	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	711	
32	Total Transmission Costs		20,554
33			
34	Operational Expenditure:		
35	General Management, Administration and Overheads	5,323	
36	System Management and Operations	3,426	
37	Routine and Preventative Maintenance	3,053	to AM1
38	Refurbishment and Renewal Maintenance	1,580	to AM1
39	Fault and Emergency Maintenance	2,428	to AM1
40	Pass-through Costs	488	
41	Other	1,475	
42	Total Operational Expenditure		17,772 to MP2
43			
44			
45	Operational earnings		49,654
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	11,576	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	2,385	from AV1
50	Total Regulatory Depreciation		13,961 to FS3
51			
52			
53	Earnings before interest and tax (EBIT)		35,694 to FS3
54			
55	less Regulatory Tax Allowance		3,720 from FS3
56			
57	plus Indexed Revaluation (of System Fixed Assets)	14,111	from AV1
58	plus Revaluations of Non-System Fixed Assets	-	from AV1
59			
60	Regulatory profit / loss (pre-financing and distributions)		46,085 to MP2

FS1 Regulatory Profit Statement (continued)

Notes to Regulatory Profit Statement

69	FS1a: Discretionary Discounts: Customer Rebates and other line charge adjustments		(\$000)
70	Customer Rebates		
71	Line Charge Holidays and other Discretionary Discounts	7,825	
72	Total Discretionary Discounts and Customer Rebates		7,825

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges		
77	Operational Expenditure	7,061	
78	Subvention Payment		
79	Other related party expenditure	33,218	
80	Total Related Party Expenditure		40,278

N.B.: The additional Related Party information that is required to be disclosed in accordance with Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this Schedule and forms part of this Schedule.

87	FS1c: Operational Expenditure notes		(\$000)
88			
89	Merger and Acquisition Expenses		
90	Merger and Acquisition Expenses (not to be included in Operational Expenditure)		
91			
92	Material items (if greater than 10% of the Operational Expenditure line item)		
93	Material item amount 1	2,908	Notes to be provided separately
94	within expenditure category:	General Management, Administration	
95			
96	Material item amount 2	1,387	Notes to be provided separately
97	within expenditure category:	System Management and Operation	
98			
99	Material item amount 3	444	Notes to be provided separately
100	within expenditure category:	System Management and Operation	
101			
102			(further disclosures to be provided on separate page if required)
103			

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

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

to be repeated as required for multiple reclassifications

FS2 Regulatory Asset and Financing Statement

ref	Electricity Distribution Business:	WEL NETWORKS	
5		For Year Ended	2011
6			
7	Capital Expenditure on System Fixed Assets (by primary purpose)		(\$000)
8	Customer Connection	5,138	to AM1
9	System Growth	29,090	to AM1
10	Reliability, Safety and Environment	679	to AM1
11	Asset Replacement and Renewal	5,519	to AM1
12	Asset Relocations	3,502	to AM1
13	Total Capital Expenditure on System Fixed Assets	43,927	to AM1
14			
15			
16	Capital Expenditure on Non-System Fixed Assets	6,402	from AV1
17			
18			
19	Capital works roll-forward (for System Fixed Assets)		
20	Works Under Construction at Beginning of Year	25,528	
21	plus Total Capital Expenditure on System Fixed Assets	43,927	
22	less Assets Commissioned in Year	48,644	from AV1
23	Works under construction at year end	20,811	
24			
25			
26	Regulatory Investment Value calculation		
27	System Fixed Assets: regulatory value at end of Previous Year	315,919	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	8,225	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	7,740	2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	331,883	
31			
32	plus (System Fixed Assets Commissioned in Year	37,951	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	10,694	from AV1
34	Non-System Fixed Assets: Asset Additions	6,402	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	55,046	
36	Regulatory Asset Base investment in Current Financial Year - average	27,523	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	Adjustment for merger, acquisition or sale to another EDB	-	from AV4
40			
41	Regulatory Investment Value	359,406	to MP2

FS3 Regulatory Tax Allowance Calculation

ref	Electricity Distribution Business: WEL NETWORKS			
		For Year Ended	2011	
5				
6				
7			(\$000)	
8				
9				
10	Earnings before interest and tax (EBIT)		35,694	from FS1
11	<i>add</i> Total Regulatory Depreciation	13,961		from FS1
12	Other Permanent Differences - not deductible	(42)		
13	Other Temporary Adjustments - Current Period	2,646		
14			16,564	
15	<i>less</i> Non Taxable Capital Contributions and Vested Assets	694		
16	Tax Depreciation	19,369		
17	Deductible Discretionary Discounts and Customer Rebates	7,825		
18	Deductible Interest	9,474		from row 53
19	Other Permanent Differences - Non Taxable	-		
20	Other Temporary Adjustments - Prior Period	2,496		
21			39,857	
22				
23	Regulatory taxable income for Year		12,400	
24				
25	<i>less</i> Tax Losses Available at Start of Year	-		
26	Net taxable income		12,400	
27				
28	Statutory Tax Rate	30%		
29	Regulatory Tax Allowance		3,720	to FS1

Notes to Regulatory Tax Allowance Calculation

36	FS3a: Description of adjustments classified as "other"
37	
38	The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory
39	notes can be provided in a separate note if necessary).
40	
41	This includes changes in Provision for Annual leave, Provision for Bad Debts, Retirement Gratuity, Impaired Assets, Entertainment expenditure and
42	Consulting fees not deductible
43	
44	
45	

48	FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)				
49					
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%		
51					
52	Standard Cost of Debt Assumption	6.59%	%		
53					
54	Deductible Interest	9,474	\$000		to row 18
55					
56	Interest Tax Shield Adjustment	2,842	\$000		to MP2

FS1b: Related Party Expenditure Notes

WEL Networks has a business unit who provides maintenance and capital expenditure. Under the disclosure rules this business unit is treated as 'other business' and charges the 'lines business'.	
	2011
Services provided were in the following categories:	(\$000)
Capital Expenditure: Customer Connection	4,845
Capital Expenditure: System Growth	13,158
Capital Expenditure: Reliability, Safety and Environment	7,421
Capital Expenditure: Asset Replacement and Renewal	7,442
Capital Expenditure: Asset Relocations	352
Expenses: Routine and Preventative Maintenance	3,053
Expenses: Refurbishment and Renewal Maintenance	1,580
Expenses: Fault and Emergency Maintenance	2,428
Total related party expenditure	40,278
Services were provided throughout the financial year.	
WEL Networks is 100% owned by WEL Energy Trust. WEL Energy Trust paid a grant for \$250,000 which is recorded as a capital contribution.	
Capital Contributions	250
There are no outstanding trade balances owing at year end. There were also no debts arising from related party transactions that have been written off or forgiven during the year.	
No transactions were undertaken at a nil or nominal value.	

FS1c: Operational Expenditure Notes

Material items (if greater than 10% of the Operational Expenditure line item)	2011 (\$000)
General Management, Administration and Overheads	
Wages and salaries	2,908
System Management and Operations	
Wages and salaries	1,387
Computer system maintenance contracts	444
Routine and Preventative Maintenance	
Lines routine and preventative maintenance	1,234
Vegetation management	1,313
Zone substation routine and preventative maintenance	397
Refurbishment and Renewal Maintenance	
Lines refurbishment and renewal	1,234
Zone substations refurbishment and renewal	-
Fault and Emergency Maintenance	
Faults	2,231
Pass-through Costs	
Electricity commission charges	272
Local body rates	216
Other	
Network asset disposal costs	1,239

AV1 Annual Regulatory Valuation Roll-Forward Report

ref	Electricity Distribution Business: WEL NETWORKS						
5	For Year Ended: 2011						
6	Year of most recent ODV 2004						
7							
8							
9							
10							
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Notes to Annual Regulatory Valuation Roll-forward Report

57	AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets						
58	CPI as at date of ODV 928						
59							
60							
61							
62							
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72							

AV2 Regulatory Valuation Disclosure by Asset Class (for system fixed assets)

Electricity Distribution Business: WEL NETWORKS

For Year Ended: 2011

Subtotals by Asset Class (for System Fixed Assets)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	
System Fixed Assets									
Regulatory Value of System Fixed Assets (as per most recent ODV)	18,447	20,081	49,849	47,961	29,803	11,621	11,733	189,495	from AV1
Cumulative roll-forward since most recent ODV:									
Asset Additions								195,155	from AV1
Indexed Revaluation (of System Fixed Assets)								54,575	from AV1
less Regulatory Depreciation (of System Fixed Assets)								71,148	from AV1
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								(979)	from AV1
Net Increase (Decrease) Due to Changes in Asset Register Information								-	from AV1
Regulatory Value of System Fixed Assets at Year End								367,098	from AV1

AV3 System Fixed Assets Replacement Cost Roll-Forward Report

ref	Electricity Distribution Business: WEL NETWORKS	
5		For Year Ended: 2011
6	System Fixed Assets - Replacement Cost	
7		((\$000))
8	Replacement cost at end of previous year	533,490
9		
10	Asset Additions	48,644 AV3a
11	Indexed Revaluation (of System Fixed Assets)	23,830
12	less Replacement Cost of Assets Decommissioned	3,394
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	- from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information	
15	Replacement cost of System Fixed Assets at year end	602,569
16		
17		
18	System Fixed Assets - Depreciated Replacement Cost	
19		
20	Depreciated Replacement Cost at end of previous year	314,785
21		
22	Asset Additions	48,644 AV3a
23	Indexed Revaluation (of System Fixed Assets)	14,061
24	less Depreciation of Replacement Cost	10,232
25	less Depreciated Replacement Cost of Assets Decommissioned	1,360
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	- from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information	
28	Depreciated replacement cost of System Fixed Assets at year end	365,899

Notes to Price and Quality Measures

35	AV3a: New Asset Additions	
36		
37	Asset Additions - Depreciated Replacement Cost	48,644 from AV1
38	plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	
39		
40	Asset Additions - Replacement Cost	48,644
41		

AV4 Business Merger, Acquisition or Sale – Regulatory Asset Base Disclosure

Electricity Distribution Business:		WEL NETWORKS	
ref			
6	Disclosure required? (YES or NIL DISCLOSURE):	NO DISCLOSURE REQUIRED	
7			
8			
9		As at (date):	31/03/2011
10		Proportion of year following transfer of assets	0%
11			
12	PART 1: Most recent ODV valuation of System Fixed Assets transferred		(\$000)
		Subtransmission	Zone substations
		Distribution & LV Lines	Distribution & LV Cables
		Distribution substations and transformers	Distribution switchgear
		Other System Fixed Assets	Total for System Fixed Assets
13	Replacement Cost (RC)		-
14			
15	less Depreciation		-
16	Depreciated Replacement Cost (DRC)	-	-
17			
18	less Optimisation adjustment		-
19	Optimised Depreciated Replacement Cost (ODRC)	-	-
20			
21	less Economic Value Adjustment (EVA)		-
22	Most recent ODV value	-	-
23			
24			
25			
26	PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)		(\$000)
		Total for System Fixed Assets	Non-System Fixed Assets
			Total RAB value (excl. FDC)
27	Regulatory Value of System Fixed Assets (as per most recent ODV)	-	
28			
29	Cumulative roll-forward since most recent ODV:		
30	Asset Additions	-	
31	Indexed Revaluation (of System Fixed Assets)	-	
32	less Regulatory Depreciation (of System Fixed Assets)	-	
33	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	
34	Net Increase (Decrease) due to Changes in Asset Register Information	-	
35	RAB Value of Transferred Assets at Transfer Date	-	-
36			
37	Acquisition of Assets from Another EDB	-	-
38	Sale of Assets to Another EDB	-	-
39			to AV1
40			to AV1
41			
42	RAB Value of Transferred Assets at Transfer Date	-	
43	"p" factor (proportion of year following transfer of assets)	0%	
44	Adjustment for merger, acquisition or sale to another EDB	-	to FS2
45			
46			
47	PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred		(\$000)
		RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets
48	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		-
49	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		-
50			to AV3
51			to AV3
52			
53	Signed by:	Selling Entity	
54			
55		Acquiring Entity	
56			
57			

MP1 Network Information

ref	Electricity Distribution Business: WEL NETWORKS	
6		For Year Ended: 2011
7	Network Name: WEL Networks	(enter "Total Business" or name of network)
9	Disclosure: Annual Disclosure - Requirement 6(1)	
10	Circuit Length by Operating Line Voltage (at year end)	
11		Overhead (km) Underground (km) Total (km)
12	> 66kV	-
13	50kV & 66kV	-
14	33kV	198 186 384
15	SWER (all SWER voltages)	-
16	22kV (other than SWER)	-
17	6.6kV to 11kV (inclusive - other than SWER)	1,910 581 2,492
18	Low Voltage (< 1kV)	1,053 1,125 2,177
19	Total circuit length (for Supply)	3,161 1,892 5,053 to MP2
20		
21	Dedicated Street Lighting Circuit Length	263 1,133 1,396
22		
23	Overhead Circuit Length by Terrain (at year end)	(km) (%)
24	Urban (only)	755 24%
25	Rural (only)	1,818 57%
26	Remote (only)	0%
27	Rugged (only)	10 0%
28	Rural & rugged (only)	578 18%
29	Remote & rugged (only)	0%
30	Unallocated overhead lines	0%
31	Total overhead length	3,161 100%
32		
33		
34	Transformer capacity (at year end)	
35	Distribution Transformer Capacity (EDB Owned)	719 MVA Previous Year 689
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	18 MVA 20
37	Total Distribution Transformer Capacity	737 MVA (to MP2) 709
38		
39	Zone Substation Transformer Capacity	678 MVA 576
40		
41	System Fixed Assets age (at year end)	
42	Average Age of System Fixed Assets	21 Years
43	Average Expected Total Life of System Fixed Assets	50 Years
44	Average Age as a Proportion of Average Expected Total Life	43% %
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	16% %
47		
48		
49		
50		
51	Electricity demand	
52		Maximum coincident system demand (MW) Non-coincident Sum of maximum demands (MW)
53	GXP Demand	249 262
54	plus Embedded Generation Output at HV and Above	0
55	Maximum System Demand	249
56	less Net Transfers to (from) Other EDBs at HV and Above	-
57	Demand on system for supply to customers' Connection Points	249
58	less Subtransmission Customers' Connection Point Demand	- -
59	Maximum Distribution Transformer Demand	249 to MP2
60		
61	GXP Demand not Supplied at Subtransmission Level	-
62	Embedded Generation Output - Connected to Subtransmission System	- 104
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	- -
64		
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	22
66		
67	Five-Year System Maximum Demand Growth Forecast	2.0 % p.a.
68		
69	Electricity volumes carried	(GWh)
70	Electricity Supplied from GXPs	1,018
71	less Electricity Exports to GXPs	15
72	plus Electricity Supplied from Embedded Generators	223
73	less Net Electricity Supplied to (from) Other EDBs	(12)
74	Electricity entering system for supply to customers' Connection Points	1,237
75	less Electricity Supplied to Customers' Connection Points	1,177 to MP2
76	Electricity Losses (loss ratio)	60 4.9% %
77		
78	Electricity Supplied to Customers' Connection Points	1,177
79	less Electricity Supplied to Largest 5 Connection Points	79
80	Electricity supplied other than to Largest 5 Connection Points	1,098 93% %
81		
82	Load Factor	57% %
83		
84	Number of Connection Points (at year end)	83,614 ICPs to MP2
85		
86	Intensity of service requirements	
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	49 kW/km
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	233 MWh/km
89	Connection Point Density (ICPs / Total circuit length)	17 ICP/km
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	14,081 kWh/ICP

MP2 Performance Measures

ref	Electricity Distribution Business: WEL NETWORKS				
5	For Year Ended:				2011
6	Performance comparators				
7	Previous Years:			Current Financial Year	
8		Current Yr - 3	Current Yr - 2	Current Yr - 1	
9	Operational expenditure ratio				
10	Total Operational Expenditure	15	16	17	18 \$m from FS1
11	Replacement Cost of System Fixed Assets (at year end*)	474	508	533	603 \$m from AV3
12	Ratio (%)	3.16%	3.17%	3.17%	2.95% %
13	Capital expenditure ratio				
14	Total Capital Expenditure on System Fixed Assets	32	32	29	44 \$m from FS2
15	Replacement Cost of System Fixed Assets (at year end*)	474	508	533	603 \$m from AV3
16	Ratio (%)	6.67%	6.33%	5.41%	7.29% %
17	Capital expenditure growth ratio				
18	Capital Expenditure: Customer Connection and System Growth	21	-	20	34 \$m from FS2
19	Change in Total Distribution Transformer Capacity	30	39	29	28 MVA from MP1
20	\$/kVA	701	-	696	1,203 \$/kVA
21	Renewal expenditure ratio				
22	Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal	5	-	7	7 \$m from FS1 & 2
23	Regulatory Depreciation of System Fixed Assets	10	12	13	12 \$m from AV1
24	Ratio (%)	54%	0%	51%	61% %
25	Distribution Transformer Capacity Utilisation				
26	Maximum Distribution Transformer Demand	237	214	263	249 MW from MP1
27	Total Distribution Transformer Capacity (at year end*)	641	680	709	737 kVA from MP1
28	Ratio (%)	36.9%	31.5%	37.1%	33.8% %
29	Return on Investment				
30	Regulatory Profit / Loss (pre-financing and distributions)	41	40	38	46 \$m from FS1
31	less Interest Tax Shield Adjustment	3	3	2	3 \$m from FS3
32	Adjusted Regulatory Profit	38	37	36	43 \$m
33	Regulatory Investment Value	277	306	328	359 \$m from FS2
34	Ratio (%)	13.78%	12.22%	10.95%	12.03% %
35	* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.				
36	Expenditure comparison table				
37	Expenditure metrics (\$ per):				
38		Electricity Supplied to Customers' Connection Points (\$/MWh)	Maximum coincident system demand (\$/MW)	Connection Point (\$/ICP)	Distribution Transformer Capacity (EDB-Owned) (\$/MVA)
39	Total circuit length (for Supply) (\$/km)				
40	Capital Expenditure (\$) per	9,960	43	202,170	602 69,988 from FS2 & MP1
41	Operational Expenditure (\$) per	3,517	15	71,390	213 24,714 from FS1 & MP1

MP3 Price and Quality Measures

ref	Electricity Distribution Business:		WEL NETWORKS	
6			For Year Ended: 2011	
7	Network Name:	WEL Networks		
	Disclosure:	Annual Disclosure - Requirement 6(1)		
9				
10	QUALITY			
11				
12	Interruptions			
13	Interruptions by class			
14	Class A		planned interruptions by Transpower:	
15	Class B	104	planned interruptions on the network	
16	Class C	229	unplanned interruptions on the network	
17	Class D		unplanned interruptions by Transpower	
18	Class E		unplanned interruptions of network owned generation	
19	Class F		unplanned interruptions of generation (non-network)	
20	Class G		unplanned interruptions caused by other electricity industry participant	
21	Class H		planned interruptions caused by other electricity industry participant	
22	Total	333	Total of above	
23				
24	Interruption targets for Forecast Year		2012	Current Financial Year +1
25	Class B		30	planned interruptions on the network
26	Class C		275	unplanned interruptions on the network
27				
28	Average interruption targets for 5 Forecast Years		2012-2016	Current Financial Year +1 to +5
29	Class B		30	planned interruptions on the network
30	Class C		275	unplanned interruptions on the network
31				
32	Class C interruptions restored within		≤3Hrs	>3hrs
33			140	89
34				
35	Faults			
36	Faults per 100 circuit kilometres			
37	The total number of faults for Current Financial Year		7.96	in year 2011
38	The total number of faults forecast for the Forecast Year		9.23	in year 2012
39	The average annual number of faults forecast for the 5 Forecast Years		9.08	average over years 2012-2016
40				
41	Fault Information per 100 circuit kilometres by Voltage and Type			
42		6.6kV & 11kV non-SWER	22kV non-SWER	33kV 50kV & 66kV >66kV
43	Is this voltage part of the EDB system?	Yes	No	No
44	Current Financial Year	8.87		2.08
45	Forecast Year	10.54		1.41
46	Average annual for 5 Forecast Years	10.33		1.41
47				
48	Fault Information per 100 circuit kilometres by Voltage and Type			
49		6.6kV & 11kV non-SWER	22kV non-SWER	33kV 50kV & 66kV >66kV
50	Underground	5.16		-
51	Overhead	10.00		4.04
52				
53	Reliability			
54	Overall reliability		SAIDI	SAIFI
55	Based on the total number of interruptions		82.55	1.26
56			CAIDI	65.76
57	Reliability by interruption class			
58	Class B		SAIDI	SAIFI
59	Class C		16.73	0.13
60			65.82	1.13
61	Targets for Forecast Year		CAIDI	133.14
62	Class B		3.00	0.02
63	Class C		69.00	1.15
64			CAIDI	60.00
65	Average targets for 5 Forecast Years		SAIDI	SAIFI
66	Class B		3.00	0.02
67	Class C		67.40	1.13
68			CAIDI	59.44
69				
70	PRICES			
71				
72	Price information by Connection Point Class			
73				
74	Connection Point Class			
75		Small Connection Points	Medium Connection Points	Large Connection Points
76				Largest 5 Connection Points
77				Total
78	Gross line charge income (\$000)	56,917	1,569	17,633
79	Electricity Supplied to Customers' Connection Points (MWh)	721,340	24,887	351,937
80	Number of Connection Points (ICPs) at year end	83,031	179	399
81	Unit Price (cents/kWh)	7.9	6.3	5.0
82	Relative Unit Price Index	1.00	0.80	0.63
83				0.48
84				0.85
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Notes to Price and Quality Measures				
89	MP3a: Connection Point Class breakpoints			
90				
91	Connection Point Class breakpoints methodology	kVA based breakpoints		
92				
93	kVA based breakpoints - additional disclosure			
94	Breakpoint between small and medium classes	25	kVA	
95	Breakpoint between large and medium classes	69	kVA	
96				

AM1 Expenditure Forecasts and Reconciliation

ref	Electricity Distribution Business: WEL NETWORKS					
5	For Year Ended 2011					
6	(\$000)					
7	A) Five year forecasts of expenditure					
8	From most recent Asset Management Plan					
9		Forecast Years				
10		Actual for				
11		Financial Year	year 1	year 2	year 3	year 4
12						year 5
13	for year ended	2011	2012	2013	2014	2015
14	Capital Expenditure: Customer Connection	5,138	6,505	5,427	5,482	5,419
15	Capital Expenditure: System Growth	29,090	19,616	20,474	19,169	11,304
16	Capital Expenditure: Reliability, Safety and Environment	679	1,348	1,064	875	755
17	Capital Expenditure: Asset Replacement and Renewal	5,519	8,601	8,015	9,755	10,516
18	Capital Expenditure: Asset Relocations	3,502	4,000	4,000	4,000	4,000
19	Subtotal - Capital Expenditure on asset management	43,927	40,069	38,980	39,281	31,994
20	Operational Expenditure: Routine and Preventative Maintenance	3,053	3,011	3,047	2,807	2,835
21	Operational Expenditure: Refurbishment and Renewal Maintenance	1,580	1,752	1,732	1,688	1,702
22	Operational Expenditure: Fault and Emergency Maintenance	2,428	2,399	2,373	2,366	2,366
23	Subtotal - Operational Expenditure on asset management	7,061	7,162	7,152	6,862	6,904
24	Total direct expenditure on distribution network	50,988	47,231	46,132	46,143	38,898
25	Overhead to Underground Conversion Expenditure	846	1,000	1,000	1,000	1,000
26	The Electricity Distribution Business is to provide the amount of Overhead to Underground Conversion Expenditure included in each of the above Expenditure Categories (explanatory notes can be provided in a separate note if necessary).					
27	Overhead to underground conversion expenditure is included in Asset Relocations for each of the forecasted years.					
28						
29						
30	B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure					
31		Actual for	Previous			
32		Current	forecast for			
33		Financial	Current			
34		Year	Financial	% Variance		
35		(a)	(b)	(a)/(b)-1		
36	Capital Expenditure: Customer Connection	5,138	4,795	7.2%		from row 10
37	Capital Expenditure: System Growth	29,090	19,291	50.8%		from row 11
38	Capital Expenditure: Reliability, Safety and Environment	679	925	-26.6%		from row 12
39	Capital Expenditure: Asset Replacement and Renewal	5,519	6,992	-21.1%		from row 13
40	Capital Expenditure: Asset Relocations	3,502	2,989	17.2%		from row 14
41	Subtotal - Capital Expenditure on asset management	43,927	34,991	25.5%		
42	Operational Expenditure: Routine and Preventative Maintenance	3,053	2,821	8.2%		from row 17
43	Operational Expenditure: Refurbishment and Renewal Maintenance	1,580	1,656	-4.6%		from row 18
44	Operational Expenditure: Fault and Emergency Maintenance	2,428	2,439	-0.4%		from row 19
45	Subtotal - Operational Expenditure on asset management	7,061	6,916	2.1%		
46	Total direct expenditure on distribution network	50,988	41,907	21.7%		
47	Explanation of variances					
48	Distribution Business must provide a brief explanation for any line item variance of more than 10%					
49	Explanatory notes (can be provided in a separate note if necessary):					
50	More customer connections were completed than expected. System growth is substantially mainly ahead due to the \$8million spent on the Wind Farm Reticulation. Some reliability projects and asset replacement projects were delayed due to economic recession. Asset relocations projects were higher than expected.					
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