EDB Information Disclosure Requirements

Information Templates

for

Schedules 1–10

Company Name	WEL Networks Limited
Disclosure Date	31 August 2021
Disclosure Year (year ended)	31 March 2021

Templates for Schedules 1–10 excluding 5f–5g
Template Version 4.1. Prepared 21 December 2017

Table of Contents

Disclosure Template Instructions

These templates have been prepared for use by EDBs when making disclosures under clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, and 2.5.2 of the Electricity Distribution Information Disclosure Determination 2012.

Company Name and Dates

To prepare the templates for disclosure, the supplier's company name should be entered in cell C8, the date of the last day of the current (disclosure) year should be entered in cell C12, and the date on which the information is disclosed should be entered in cell C10 of the CoverSheet worksheet.
The cell C12 entry (current year) is used to calculate disclosure years in the column headings that show above some of the tables and in labels adjacent to some entry cells. It is also used to calculate the 'For year ended' date in the template title blocks (the title blocks are the light green shaded areas at the top of each template).
The cell C8 entry (company name) is used in the template title blocks.
Dates should be entered in day/month/year order (Example -"1 April 2013").

Data Entry Cells and Calculated Cells

Data entered into this workbook may be entered only into the data entry cells. Data entry cells are the bordered, unshaded areas (white cells) in each template. Under no circumstances should data be entered into the workbook outside a data entry cell.
In some cases, where the information for disclosure is able to be ascertained from disclosures elsewhere in the workbook, such information is disclosed in a calculated cell.

Validation Settings on Data Entry Cells

To maintain a consistency of format and to help guard against errors in data entry, some data entry cells test keyboard entries for validity and accept only a limited range of values. For example, entries may be limited to a list of category names, to values between 0% and 100%, or either a numeric entry or the text entry "N/A". Where this occurs, a validation message will appear when data is being entered. These checks are applied to keyboard entries only and not, for example, to entries made using Excel's copy and paste facility.

Conditional Formatting Settings on Data Entry Cells

Schedule 2 cells G79 and I79:L79 will change colour if the total cashflows do not equal the corresponding values in table 2(ii).
Schedule 4 cells P99:P105 and P107 will change colour if the RAB values do not equal the corresponding values in table 4(ii).
Schedule 9b columns AA to AE (2013 to 2017) contain conditional formatting. The data entry cells for future years are hidden (are changed from white to yellow).
Schedule 9b cells AG10 to AG60 will change colour if the total assets at year end for each asset class does not equal the corresponding values in column I in Schedule 9a.
Schedule 9c cell G30 will change colour if G30 (overhead circuit length by terrain) does not equal G18 (overhead circuit length by operating voltage).

Inserting Additional Rows and Columns

The templates for schedules 4, 5b, 5c, 5d, 5e, 6a, 8, 9d, and 9e may require additional rows to be inserted in tables marked 'include additional rows if needed' or similar. Column A schedule references should not be entered in additional rows, and should be deleted from additional rows that are created by copying and pasting rows that have schedule references.
Additional rows in schedules 5c, 6a, and 9e must not be inserted directly above the first row or below the last row of a table. This is to ensure that entries made in the new row are included in the totals.
Schedules 5d and 5e may require new cost or asset category rows to be inserted in allocation change tables 5d(iii) and 5e(ii). Accordingly, cell protection has been removed from rows 77 and 78 of the respective templates to allow blocks of rows to be copied. The four steps to add new cost category rows to table 5d(iii) are: Select Excel rows 69:77, copy, select Excel row 78, insert copied cells. Similarly, for table 5e(ii): Select Excel rows 70:78, copy, select Excel row 79, then insert copied cells.
The template for schedule 8 may require additional columns to be inserted between column P and U. To avoid interfering with the title block entries, these should be inserted to the left of column S. If inserting additional columns, the formulas for standard consumers total, non-standard consumers totals and total for all consumers will need to be copied into the cells of the added columns. The formulas can be found in the equivalent cells of the existing columns.

Disclosures by Sub-Network

If the supplier has sub-networks, schedules 8, 9a, 9b, 9c, 9e, and 10 must be completed for the network and for each sub-network. A copy of the schedule worksheet(s) must be made for each sub-network and named accordingly.

Schedule References

The references labelled 'sch ref' in the leftmost column of each template are consistent with the row references in the Electricity Distribution ID Determination 2012 (as issued on 21 December 2017). They provide a common reference between the rows in the determination and the template.

Description of Calculation References

Calculation cell formulas contain links to other cells within the same template or elsewhere in the workbook. Key cell references are described in a column to the right of each template. These descriptions are provided to assist data entry. Cell references refer to the row of the template and not the schedule reference.

Worksheet Completion Sequence

Calculation cells may show an incorrect value until precedent cell entries have been completed. Data entry may be assisted by completing the schedules in the following order:

1. Coversheet
2. Schedules 5a–5e
3. Schedules 6a–6b
4. Schedule 8
5. Schedule 3
6. Schedule 4
7. Schedule 2
8. Schedule 7
9. Schedules 9a–9e
10. Schedule 10

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 1: ANALYTICAL RATIOS

This schedule calculates expenditure, revenue and service ratios from the information disclosed. The disclosed ratios may vary for reasons that are company specific and, as a result, must be interpreted with care. The Commerce Commission will publish a summary and analysis of information disclosed in accordance with the ID determination. This will include information disclosed in accordance with this and other schedules, and information disclosed under the other requirements of the determination.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

1(i): Expenditure metrics

	Expenditure per GWh energy delivered to ICPs ($/GWh)	Expenditure per average no. of ICPs ($/ICP)	Expenditure per MW maximum coincident system demand ($/MW)	Expenditure per km circuit length ($/km)	Expenditure per MVA of capacity from EDB-owned distribution transformers ($/MVA)
Operational expenditure	21,540	290	98,657	5,005	28,877
Network	6,306	85	28,884	1,465	8,455
Non-network	15,233	205	69,773	3,540	20,423
Expenditure on assets	33,411	450	153,031	7,763	44,793
Network	29,554	398	135,364	6,867	39,622
Non-network	3,857	52	17,667	896	5,171

1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs ($/GWh)	Revenue per average no. of ICPs ($/ICP)
Total consumer line charge revenue	85,438	1,151
Standard consumer line charge revenue	86,632	1,138
Non-standard consumer line charge revenue	38,886	311,961

1(iii): Service intensity measures

Demand density	51	*Maximum coincident system demand per km of circuit length (for supply) (kW/km)*
Volume density	232	*Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)*
Connection point density	17	*Average number of ICPs per km of circuit length (for supply) (ICPs/km)*
Energy intensity	13,477	*Total energy delivered to ICPs per average number of ICPs (kWh/ICP)*

1(iv): Composition of regulatory income

	($000)	% of revenue
Operational expenditure	27,644	24.97%
Pass-through and recoverable costs excluding financial incentives and wash-ups	27,753	25.07%
Total depreciation	21,914	19.79%
Total revaluations	8,696	7.85%
Regulatory tax allowance	10,182	9.20%
Regulatory profit/(loss) including financial incentives and wash-ups	31,928	28.84%
Total regulatory income	110,725	

1(v): Reliability

Interruption rate	18.07	*Interruptions per 100 circuit km*

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).
EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref		CY-2	CY-1	Current Year CY
7	**2(i): Return on Investment**			
8		31 Mar 19	31 Mar 20	31 Mar 21
9	**ROI – comparable to a post tax WACC**	%	%	%
10	Reflecting all revenue earned	8.43%	8.44%	5.31%
11	Excluding revenue earned from financial incentives	8.43%	8.44%	5.31%
12	Excluding revenue earned from financial incentives and wash-ups	8.43%	8.44%	5.31%
13				
14	**Mid-point estimate of post tax WACC**	4.75%	4.27%	3.72%
15	25th percentile estimate	4.07%	3.59%	3.04%
16	75th percentile estimate	5.43%	4.95%	4.40%
17				
18				
19	**ROI – comparable to a vanilla WACC**			
20	Reflecting all revenue earned	8.94%	8.86%	5.64%
21	Excluding revenue earned from financial incentives	8.94%	8.86%	5.64%
22	Excluding revenue earned from financial incentives and wash-ups	8.94%	8.86%	5.64%
23				
24	**WACC rate used to set regulatory price path**	–	–	–
25				
26	**Mid-point estimate of vanilla WACC**	5.26%	4.69%	4.05%
27	25th percentile estimate	4.58%	4.01%	3.37%
28	75th percentile estimate	5.94%	5.37%	4.73%
29				

30	**2(ii): Information Supporting the ROI**		($000)	
31				
32	Total opening RAB value	599,939		
33	*plus* Opening deferred tax	(35,459)		
34	**Opening RIV**		564,480	
35				
36	**Line charge revenue**		109,651	
37				
38	Expenses cash outflow	55,397		
39	*add* Assets commissioned	30,575		
40	*less* Asset disposals	114		
41	*add* Tax payments	7,095		
42	*less* Other regulated income	1,074		
43	**Mid-year net cash outflows**		91,880	
44				
45	**Term credit spread differential allowance**		–	
46				
47	Total closing RAB value	592,314		
48	*less* Adjustment resulting from asset allocation	(1,245)		
49	*less* Lost and found assets adjustment	(23,623)		
50	*plus* Closing deferred tax	(38,546)		
51	**Closing RIV**		578,637	
52				
53	**ROI – comparable to a vanilla WACC**			5.64%
54				
55	Leverage (%)			42%
56	Cost of debt assumption (%)			2.82%
57	Corporate tax rate (%)			28%
58				
59	**ROI – comparable to a post tax WACC**			5.31%
60				

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).
EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

2(iii): Information Supporting the Monthly ROI

Opening RIV — N/A

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

Tax payments — N/A

Term credit spread differential allowance — N/A

Closing RIV — N/A

Monthly ROI – comparable to a vanilla WACC — N/A

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

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

Year-end ROI – comparable to a vanilla WACC — 5.51%

Year-end ROI – comparable to a post tax WACC — 5.18%

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

2(v): Financial Incentives and Wash-Ups

Net recoverable costs allowed under incremental rolling incentive scheme	–	
Purchased assets – avoided transmission charge		
Energy efficiency and demand incentive allowance		
Quality incentive adjustment		
Other financial incentives		
Financial incentives		–
Impact of financial incentives on ROI		–
Input methodology claw-back		
CPP application recoverable costs		
Catastrophic event allowance		
Capex wash-up adjustment		
Transmission asset wash-up adjustment		
2013–15 NPV wash-up allowance		
Reconsideration event allowance		
Other wash-ups		
Wash-up costs		–
Impact of wash-up costs on ROI		–

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref			($000)
7	**3(i): Regulatory Profit**		
8		**Income**	
9		Line charge revenue	109,651
10	*plus*	Gains / (losses) on asset disposals	(59)
11	*plus*	Other regulated income (other than gains / (losses) on asset disposals)	1,133
12			
13		**Total regulatory income**	110,725
14		**Expenses**	
15	*less*	Operational expenditure	27,644
16			
17	*less*	Pass-through and recoverable costs excluding financial incentives and wash-ups	27,753
18			
19		**Operating surplus / (deficit)**	55,328
20			
21	*less*	Total depreciation	21,914
22			
23	*plus*	Total revaluations	8,696
24			
25		**Regulatory profit / (loss) before tax**	42,109
26			
27	*less*	Term credit spread differential allowance	–
28			
29	*less*	Regulatory tax allowance	10,182
30			
31		**Regulatory profit/(loss) including financial incentives and wash-ups**	31,928
32			

			($000)	
33	**3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups**			
34		**Pass through costs**		
35		Rates	981	
36		Commerce Act levies	94	
37		Industry levies	277	
38		CPP specified pass through costs		
39		**Recoverable costs excluding financial incentives and wash-ups**		
40		Electricity lines service charge payable to Transpower	18,977	
41		Transpower new investment contract charges	2,251	
42		System operator services		
43		Distributed generation allowance	5,174	
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**		27,753
47				

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

3(iii): Incremental Rolling Incentive Scheme

($000)

		CY-1 31 Mar 20	CY 31 Mar 21
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
57	CY-5	31 Mar 16		
58	CY-4	31 Mar 17		
59	CY-3	31 Mar 18		
60	CY-2	31 Mar 19		
61	CY-1	31 Mar 20		
62	**Net incremental rolling incentive scheme**			–
63				
64	**Net recoverable costs allowed under incremental rolling incentive scheme**			–

3(iv): Merger and Acquisition Expenditure

		($000)
66	Merger and acquisition expenditure	
67		
68	*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)*	

3(v): Other Disclosures

		($000)
71	Self-insurance allowance	

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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

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

sch ref

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

		for year ended	RAB 31 Mar 17 ($000)	RAB 31 Mar 18 ($000)	RAB 31 Mar 19 ($000)	RAB 31 Mar 20 ($000)	RAB 31 Mar 21 ($000)
10	**Total opening RAB value**		508,016	529,713	559,425	569,300	599,939
12	*less* **Total depreciation**		20,412	18,992	19,895	20,476	21,914
14	*plus* **Total revaluations**		10,929	5,823	8,278	14,295	8,696
16	*plus* **Assets commissioned**		31,350	42,963	29,931	43,116	30,575
18	*less* **Asset disposals**		171	82	654	55	114
20	*plus* **Lost and found assets adjustment**		–	–	–	(6,241)	(23,623)
22	*plus* **Adjustment resulting from asset allocation**		1	–	(7,784)	–	(1,245)
24	**Total closing RAB value**		529,713	559,425	569,300	599,939	592,314

4(ii): Unallocated Regulatory Asset Base

		Unallocated RAB * ($000)	Unallocated RAB * ($000)	RAB ($000)	RAB ($000)
29	**Total opening RAB value**		608,301		599,939
31	*less* **Total depreciation**		22,562		21,914
33	*plus* **Total revaluations**		8,819		8,696
35	*plus* Assets commissioned (other than below)	24,217		24,217	
36	Assets acquired from a regulated supplier				
37	Assets acquired from a related party	6,358		6,358	
38	**Assets commissioned**		30,575		30,575
40	*less* Asset disposals (other than below)	114		114	
41	Asset disposals to a regulated supplier				
42	Asset disposals to a related party				
43	**Asset disposals**		114		114
45	*plus* **Lost and found assets adjustment**		(23,623)		(23,623)
47	*plus* **Adjustment resulting from asset allocation**				(1,245)
49	**Total closing RAB value**		601,396		592,314

** 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 Limited**
For Year Ended	**31 March 2021**

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

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

sch ref

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

54		CPI_4	1,068
55		CPI_4^{-4}	1,052
56		Revaluation rate (%)	1.52%

			Unallocated RAB *		RAB	
			($000)	($000)	($000)	($000)
60		Total opening RAB value	608,301		599,939	
61	*less*	Opening value of fully depreciated, disposed and lost assets	28,473		28,171	
63		Total opening RAB value subject to revaluation	579,828		571,768	
64		**Total revaluations**		8,819		8,696

4(iv): Roll Forward of Works Under Construction

			Unallocated works under construction		Allocated works under construction	
68		**Works under construction—preceding disclosure year**		19,525		20,083
69	*plus*	Capital expenditure	35,412		34,854	
70	*less*	Assets commissioned	30,575		30,575	
71	*plus*	Adjustment resulting from asset allocation				
72		**Works under construction - current disclosure year**		24,361		24,361
74		Highest rate of capitalised finance applied				

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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

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

sch ref

4(v): Regulatory Depreciation

		Unallocated RAB * ($000)	($000)	RAB ($000)	($000)
79	Depreciation - standard	17,459		17,383	
80	Depreciation - no standard life assets	5,104		4,532	
81	Depreciation - modified life assets				
82	Depreciation - alternative depreciation in accordance with CPP				
83	**Total depreciation**		22,562		21,914

4(vi): Disclosure of Changes to Depreciation Profiles

($000 unless otherwise specified)

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

** include additional rows if needed*

4(vii): Disclosure by Asset Category

($000 unless otherwise specified)

		Subtransmission lines	Subtransmission cables	Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total	
99	**Total opening RAB value**	21,814	58,870	82,528	117,733	172,303	63,267	38,447	13,423	31,554	599,939	
100	*less* Total depreciation	618	1,505	2,847	3,573	4,723	2,068	1,252	796	4,532	21,914	
101	*plus* Total revaluations	332	595	1,145	1,790	2,620	960	585	204	465	8,696	
102	*plus* Assets commissioned	168	3,435	1,613	5,516	10,195	2,630	2,364	503	4,151	30,575	
103	*less* Asset disposals	–					67	–	–	46	114	
104	*plus* Lost and found assets adjustment	45	(19,311)	(6,967)	1,229	780	219	298	83	–	(23,623)	
105	*plus* Adjustment resulting from asset allocation	–	–	–	(420)	–	–	–	–	(825)	(1,245)	
106	*plus* Asset category transfers	–	–	–	–	–	–	–	–	–	–	
107	**Total closing RAB value**	21,740	42,084	75,472	122,276	181,176	64,941	40,441	13,418	30,766	592,314	
108												
109	**Asset Life**											
110	Weighted average remaining asset life	40.5	38.2	29.3	41.4	41.9	35.1	33.1	5.7	11.5		(years)
111	Weighted average expected total asset life	59.1	52.4	41.1	59.0	54.4	49.2	40.2	13.3	18.0		(years)

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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 2.8.

sch ref					
7	**5a(i): Regulatory Tax Allowance**				**($000)**
8		**Regulatory profit / (loss) before tax**			42,109
9					
10	*plus*	Income not included in regulatory profit / (loss) before tax but taxable	–	*	
11		Expenditure or loss in regulatory profit / (loss) before tax but not deductible	5	*	
12		Amortisation of initial differences in asset values	7,095		
13		Amortisation of revaluations	2,443		
14					9,544
15					
16	*less*	Total revaluations	8,696		
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	6,593		
21					15,289
22					
23		**Regulatory taxable income**			36,364
24					
25	*less*	Utilised tax losses			
26		Regulatory net taxable income			36,364
27					
28		Corporate tax rate (%)	28%		
29		**Regulatory tax allowance**			10,182
30					
31	* Workings to be provided in Schedule 14				
32	**5a(ii): Disclosure of Permanent Differences**				
33	In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).				
34	**5a(iii): Amortisation of Initial Difference in Asset Values**				**($000)**
35					
36		Opening unamortised initial differences in asset values	92,238		
37	*less*	Amortisation of initial differences in asset values	7,095		
38	*plus*	Adjustment for unamortised initial differences in assets acquired			
39	*less*	Adjustment for unamortised initial differences in assets disposed			
40		Closing unamortised initial differences in asset values			85,143
41					
42		Opening weighted average remaining useful life of relevant assets (years)			13
43					

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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 2.8.

sch ref				($000)
44	**5a(iv): Amortisation of Revaluations**			
45				
46		Opening sum of RAB values without revaluations	537,450	
47				
48		Adjusted depreciation	19,471	
49		Total depreciation	21,914	
50		Amortisation of revaluations		2,443
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**	(35,459)	
61				
62	*plus*	Tax effect of adjusted depreciation	5,452	
63				
64	*less*	Tax effect of tax depreciation	8,855	
65				
66	*plus*	Tax effect of other temporary differences*	2,291	
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	(12)	
73				
74	*plus*	Deferred tax cost allocation adjustment	0	
75				
76		**Closing deferred tax**		(38,546)
77				
78	**5a(vii): Disclosure of Temporary Differences**			
79		*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).*		
80				
81	**5a(viii): Regulatory Tax Asset Base Roll-Forward**			
82				($000)
83		**Opening sum of regulatory tax asset values**	345,407	
84	*less*	Tax depreciation	31,625	
85	*plus*	Regulatory tax asset value of assets commissioned	38,601	
86	*less*	Regulatory tax asset value of asset disposals	71	
87	*plus*	Lost and found assets adjustment	(12,270)	
88	*plus*	Adjustment resulting from asset allocation	(1,245)	
89	*plus*	Other adjustments to the RAB tax value	(7,555)	
90		**Closing sum of regulatory tax asset values**		331,242

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 5b: REPORT ON RELATED PARTY TRANSACTIONS

This schedule provides information on the valuation of related party transactions, in accordance with clause 2.3.6 of the ID determination.
This information is part of audited disclosure information (as defined in clause 1.4 of the ID determination), and so is subject to the assurance report required by clause 2.8.

sch ref

5b(i): Summary—Related Party Transactions

	($000)	($000)
Total regulatory income		1,488
Market value of asset disposals		–
Service interruptions and emergencies	2,490	
Vegetation management	1,016	
Routine and corrective maintenance and inspection	980	
Asset replacement and renewal (opex)	1,269	
Network opex		5,756
Business support	–	
System operations and network support	–	
Operational expenditure		5,756
Consumer connection	1,651	
System growth	122	
Asset replacement and renewal (capex)	4,075	
Asset relocations	330	
Quality of supply	23	
Legislative and regulatory	56	
Other reliability, safety and environment	101	
Expenditure on non-network assets		–
Expenditure on assets		6,358
Cost of financing		–
Value of capital contributions		–
Value of vested assets		–
Capital Expenditure		6,358
Total expenditure		12,114
Other related party transactions		–

5b(iii): Total Opex and Capex Related Party Transactions

Name of related party	Nature of opex or capex service provided	Total value of transactions ($000)
WEL Contracting Division	Service interruptions and emergencies	2,490
WEL Contracting Division	Vegetation management	1,016
WEL Contracting Division	Routine and corrective maintenance and inspection	980
WEL Contracting Division	Asset replacement and renewal (opex)	1,269
WEL Contracting Division	Consumer connection	1,651
WEL Contracting Division	System growth	122
WEL Contracting Division	Asset replacement and renewal (capex)	4,075
WEL Contracting Division	Asset relocations	330
WEL Contracting Division	Quality of supply	23
WEL Contracting Division	Legislative and regulatory	56
WEL Contracting Division	Other reliability, safety and environment	101
Total value of related party transactions		12,114

** include additional rows if needed*

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

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

sch ref

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

Issuing party	Issue date	Pricing date	Original tenor (in years)	Coupon rate (%)	Book value at issue date (NZD)	Book value at date of financial statements (NZD)	Term Credit Spread Difference	Debt issue cost readjustment
** include additional rows if needed*						–	–	–

5c(ii): Attribution of Term Credit Spread Differential

Gross term credit spread differential		–
Total book value of interest bearing debt		
Leverage	42%	
Average opening and closing RAB values		
Attribution Rate (%)		–
Term credit spread differential allowance		–

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(i): Operating Cost Allocations

		Value allocated ($000s)			
	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase ($000s)
Service interruptions and emergencies					
Directly attributable		3,308			
Not directly attributable				–	
Total attributable to regulated service		3,308			
Vegetation management					
Directly attributable		1,467			
Not directly attributable				–	
Total attributable to regulated service		1,467			
Routine and corrective maintenance and inspection					
Directly attributable		1,631			
Not directly attributable				–	
Total attributable to regulated service		1,631			
Asset replacement and renewal					
Directly attributable		1,687			
Not directly attributable				–	
Total attributable to regulated service		1,687			
System operations and network support					
Directly attributable		7,248			
Not directly attributable				–	
Total attributable to regulated service		7,248			
Business support					
Directly attributable					
Not directly attributable		12,302	3,964	16,267	
Total attributable to regulated service		12,302			
Operating costs directly attributable		15,341			
Operating costs not directly attributable	–	12,302	3,964	16,267	–
Operational expenditure		27,644			

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(ii): Other Cost Allocations

	($000)
Pass through and recoverable costs	
Pass through costs	
Directly attributable	1,351
Not directly attributable	
Total attributable to regulated service	1,351
Recoverable costs	
Directly attributable	26,402
Not directly attributable	
Total attributable to regulated service	26,402

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

Change in cost allocation 1

		($000) CY-1	($000) Current Year (CY)
Cost category	Original allocation		
Original allocator or line items	New allocation		
New allocator or line items	Difference	–	–

Rationale for change

Change in cost allocation 2

		($000) CY-1	($000) Current Year (CY)
Cost category	Original allocation		
Original allocator or line items	New allocation		
New allocator or line items	Difference	–	–

Rationale for change

Change in cost allocation 3

		($000) CY-1	($000) Current Year (CY)
Cost category	Original allocation		
Original allocator or line items	New allocation		
New allocator or line items	Difference	–	–

Rationale for change

** a change in cost allocation must be completed for each cost allocator change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component.*
† include additional rows if needed

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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
Subtransmission lines	
Directly attributable	21,740
Not directly attributable	–
Total attributable to regulated service	21,740
Subtransmission cables	
Directly attributable	42,084
Not directly attributable	–
Total attributable to regulated service	42,084
Zone substations	
Directly attributable	75,472
Not directly attributable	–
Total attributable to regulated service	75,472
Distribution and LV lines	
Directly attributable	119,923
Not directly attributable	2,352
Total attributable to regulated service	122,276
Distribution and LV cables	
Directly attributable	181,176
Not directly attributable	–
Total attributable to regulated service	181,176
Distribution substations and transformers	
Directly attributable	64,941
Not directly attributable	–
Total attributable to regulated service	64,941
Distribution switchgear	
Directly attributable	40,441
Not directly attributable	–
Total attributable to regulated service	40,441
Other network assets	
Directly attributable	13,418
Not directly attributable	–
Total attributable to regulated service	13,418
Non-network assets	
Directly attributable	22,810
Not directly attributable	7,956
Total attributable to regulated service	30,766
Regulated service asset value directly attributable	582,006
Regulated service asset value not directly attributable	10,309
Total closing RAB value	592,314

5e(ii): Changes in Asset Allocations* †

Change in asset value allocation 1

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

Change in asset value allocation 2

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

Change in asset value allocation 3

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–
Rationale for change				

** a change in asset allocation must be completed for each allocator or component change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or compone*

† include additional rows if needed

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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

6a(i): Expenditure on Assets

			($000)	($000)
8		Consumer connection		15,640
9		System growth		4,400
10		Asset replacement and renewal		13,290
11		Asset relocations		2,855
12		Reliability, safety and environment:		
13		Quality of supply	463	
14		Legislative and regulatory	97	
15		Other reliability, safety and environment	1,185	
16		**Total reliability, safety and environment**		1,745
17		**Expenditure on network assets**		37,929
18		Expenditure on non-network assets		4,950
19				
20		**Expenditure on assets**		42,879
21	*plus*	Cost of financing		–
22	*less*	Value of capital contributions		8,025
23	*plus*	Value of vested assets		–
24				
25		**Capital expenditure**		34,854

6a(ii): Subcomponents of Expenditure on Assets (where known)

			($000)
27		Energy efficiency and demand side management, reduction of energy losses	466
28		Overhead to underground conversion	–
29		Research and development	–

6a(iii): Consumer Connection

		*Consumer types defined by EDB**	($000)	($000)
32		Residential Low User	7,572	
33		Residential Standard User	4,917	
34		General	1,622	
35		Streetlighting	12	
		Medium Voltage (11kV)	29	
		High Voltage (33kV)	0	
		Low Voltage (400V)	115	
		Unmetered	45	
		Commercial Asset Specific	1	
		Residential Low User Conditional	464	
		Residential Standard User Conditional	437	
36		General Conditional	427	
37		** include additional rows if needed*		
38		**Consumer connection expenditure**		15,640
39				
40	*less*	Capital contributions funding consumer connection expenditure	5,072	
41		**Consumer connection less capital contributions**		10,568

6a(iv): System Growth and Asset Replacement and Renewal

			System Growth ($000)	Asset Replacement and Renewal ($000)
45		Subtransmission	3,651	901
46		Zone substations	153	945
47		Distribution and LV lines	–	5,442
48		Distribution and LV cables	562	1,761
49		Distribution substations and transformers	33	1,504
50		Distribution switchgear	–	1,920
51		Other network assets	–	816
52		**System growth and asset replacement and renewal expenditure**	4,400	13,290
53	*less*	Capital contributions funding system growth and asset replacement and renewal	–	175
54		**System growth and asset replacement and renewal less capital contributions**	4,400	13,114

6a(v): Asset Relocations

		*Project or programme**	($000)	($000)
58		Relocations	2,855	
59				
60				
61				
62				
63		** include additional rows if needed*		
64		All other projects or programmes - asset relocations	–	
65		**Asset relocations expenditure**		2,855
66	*less*	Capital contributions funding asset relocations	2,777	
67		**Asset relocations less capital contributions**		77

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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

6a(vi): Quality of Supply

	*Project or programme**	($000)	($000)
	Distribution Transformer and LV Feeder Upgrade projects Identified vis Smart Meters (Part 1 & 2 combined)	414	
	Power Quality - Works required to correct customer complaints	49	
	* include additional rows if needed		
	All other projects programmes - quality of supply	–	
	Quality of supply expenditure		463
less	Capital contributions funding quality of supply	1	
	Quality of supply less capital contributions		462

6a(vii): Legislative and Regulatory

	*Project or programme**	($000)	($000)
	Transformer working at height	68	
	Battery Monitoring	29	
	* include additional rows if needed		
	All other projects or programmes - legislative and regulatory	–	
	Legislative and regulatory expenditure		97
less	Capital contributions funding legislative and regulatory	–	
	Legislative and regulatory less capital contributions		97

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

	*Project or programme**	($000)	($000)
	Garden Place Switching Station Bypass	697	
	Fibre routes	160	
	Substation Site Security Access Project	116	
	Substation Door Upgrade	95	
	Aircondition for substations (Site Condensation Mitigation)	60	
	* include additional rows if needed		
	All other projects or programmes - other reliability, safety and environment	58	
	Other reliability, safety and environment expenditure		1,185
less	Capital contributions funding other reliability, safety and environment	–	
	Other reliability, safety and environment less capital contributions		1,185

6a(ix): Non-Network Assets

Routine expenditure

	*Project or programme**	($000)	($000)
	Computer Equipment	731	
	Computer Software	2,301	
	Plant and Equipment	1,004	
	Motor Vehicles	130	
	Land and Building Leases	154	
	Smartmeters	466	
	* include additional rows if needed		
	All other projects or programmes - routine expenditure	164	
	Routine expenditure		4,950

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		4,950

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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		($000)	($000)
7	**6b(i): Operational Expenditure**		
8	Service interruptions and emergencies	3,308	
9	Vegetation management	1,467	
10	Routine and corrective maintenance and inspection	1,631	
11	Asset replacement and renewal	1,687	
12	**Network opex**		8,093
13	System operations and network support	7,248	
14	Business support	12,302	
15	**Non-network opex**		19,550
16			
17	**Operational expenditure**		27,644
18	**6b(ii): Subcomponents of Operational Expenditure (where known)**		
19	Energy efficiency and demand side management, reduction of energy losses		225
20	Direct billing*		–
21	Research and development		41
22	Insurance		548
23	** Direct billing expenditure by suppliers that directly bill the majority of their consumers*		

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

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

		Target ($000) [1]	Actual ($000)	% variance
7	**7(i): Revenue**			
8	Line charge revenue	109,855	109,651	(0%)
		Forecast ($000) [2]	**Actual ($000)**	**% variance**
9	**7(ii): Expenditure on Assets**			
10	Consumer connection	14,451	15,640	8%
11	System growth	7,738	4,400	(43%)
12	Asset replacement and renewal	15,642	13,290	(15%)
13	Asset relocations	4,396	2,855	(35%)
14	Reliability, safety and environment:			
15	Quality of supply	520	463	(11%)
16	Legislative and regulatory	832	97	(88%)
17	Other reliability, safety and environment	1,450	1,185	(18%)
18	**Total reliability, safety and environment**	2,802	1,745	(38%)
19	**Expenditure on network assets**	45,029	37,929	(16%)
20	Expenditure on non-network assets	6,210	4,950	(20%)
21	Expenditure on assets	51,239	42,879	(16%)
22	**7(iii): Operational Expenditure**			
23	Service interruptions and emergencies	3,163	3,308	5%
24	Vegetation management	1,596	1,467	(8%)
25	Routine and corrective maintenance and inspection	3,660	1,631	(55%)
26	Asset replacement and renewal	749	1,687	125%
27	**Network opex**	9,168	8,093	(12%)
28	System operations and network support	9,741	7,248	(26%)
29	Business support	12,004	12,302	2%
30	**Non-network opex**	21,745	19,550	(10%)
31	**Operational expenditure**	30,913	27,644	(11%)
32	**7(iv): Subcomponents of Expenditure on Assets (where known)**			
33	Energy efficiency and demand side management, reduction of energy losses	370	466	26%
34	Overhead to underground conversion	4,089	–	(100%)
35	Research and development	–	–	–
36				
37	**7(v): Subcomponents of Operational Expenditure (where known)**			
38	Energy efficiency and demand side management, reduction of energy losses	235	225	(4%)
39	Direct billing	–	–	–
40	Research and development	–	41	–
41	Insurance	616	548	(11%)
42				

43 *1 From the nominal dollar target revenue for the disclosure year disclosed under clause 2.4.3(3) of this determination*

44 *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 Limited**
For Year Ended	**31 March 2021**
Network / Sub-Network Name	

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

8(i): Billed Quantities by Price Component

					Billed quantities by price component															
													Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment
					Price component	Fixed	Fixed	Fixed	Variable Energy	Variable Reactive Energy	Peak Demand	Transformer Rebate	Capacity Charge	Excess Capacity Charge	Fixed	Fixed	Fixed	Variable Energy	Variable Reactive Energy	Peak Demand	Transformer Rebate	Capacity Charge	Excess Capacity Charge	
	Consumer group name or price category code	**Consumer type or types (eg, residential, commercial etc.)**	**Standard or non-standard consumer group (specify)**	**Average no. of ICPs in disclosure year**	**Energy delivered to ICPs in disclosure year (MWh)**	**Unit charging basis (eg, days, kW of demand, kVA of capacity, etc.)**	Days	Month	Lamps	MWh	MVARh	MVA	MVA	MVA	MVA	Days	Month	Lamps	MWh	MVARh	MVA	MVA Rebate	MVA	MVA	*Add extra columns for additional billed quantities by price component as necessary*
	1153	Residential Low User	Standard	46,105	237,901		16,883,411			237,901						(157)			336						
	1154	Residential Standard User	Standard	29,936	281,708		10,936,683			281,708						(109)			580						
	1200	General	Standard	9,873	177,040		3,615,837			177,040						(96)			(192)						
	1293	Streetlighting	Standard	73	8,357				9,247,140	8,357								1,737	30						
	1354	Medium Voltage (11kV)	Standard	176	242,819		64,272			242,819	9,042	634	98	1,120	4	(0)			(319)	(21)	(0)	0	(0)	(0)	
	1357	High Voltage (33kV)	Standard	2	9,606		730			9,606		16	16	22	0	–			–		0	0			
	1360	Low Voltage (400V)	Standard	698	225,382		254,114			225,382	9,943	676		1,177	12	0			(68)	3	(1)		(0)	0	
	1450	Unmetered	Standard	275	216		101,407			216						0			(0)						
	1557	Commercial Asset Specific	Non-standard	2	17,324		730			17,324		36		52	2				–						
	1630	Commercial Asset Specific	Non-standard	1	2,790			24		2,790	2,459	39		66	2				–						
	1700	Commercial Asset Specific	Non-standard	1	11,976		365	12		11,976		18		21		–			26		0				
	1153C	Residential Low User Conditional	Standard	2,824	14,548		1,042,028			14,548						(18)			(45)						
	1154C	Residential Standard User	Standard	2,663	20,996		915,646			20,996						(16)			(46)						
	1200C	General Conditional	Standard	2,597	32,731		955,978			32,731						(20)			(577)						
	Add extra rows for additional consumer groups or price category codes as necessary																								
			Standard consumer totals	95,222	1,251,303		34,770,106	–	9,247,140	1,251,303	18,985	1,326	115	2,319	17	(418)	–	1,737	(302)	(18)	(1)	0	(0)	(0)	
			Non-standard consumer totals	4	32,090		1,095	36	–	32,090	2,459	93	–	139	4	–	–	–	26	–	0	–	–	–	
			Total for all consumers	95,226	1,283,393		34,771,201	36	9,247,140	1,283,393	21,445	1,420	115	2,458	20	(418)	–	1,737	(275)	(18)	(1)	0	(0)	(0)	

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**
Network / Sub-Network Name	

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

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

Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Discounts revenue foregone from posted discounts (if	Total distribution line charge revenue	Total transmission line charge revenue (if available)	Line charge revenues ($000) by price component									Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	Prior Periods Adjustment	
							Price component	Fixed	Fixed	Fixed	Variable Energy	Variable Reactive Energy	Peak Demand	Transformer Rebate	Capacity Charge	Excess Capacity Charge	Fixed	Fixed	Fixed	Variable Energy	Variable Reactive Energy	Peak Demand	Transformer Rebate	Capacity Charge	Excess Capacity Charge	Add extra columns for additional line charge revenues by price component as necessary
							Rate (eg, $ per day, $ per kWh, etc.)	Days	Month	Lamps	MWh	MVARh	MVA	MVA Rebate	MVA	MVA	Days	Month	Lamps	MWh	MVARh	MVA	MVA Rebate	MVA	MVA	
1153	Residential Low User	Standard	$25,342		$25,342			$2,533			$22,764		–		–	–	$4			$41						
1154	Residential Standard User	Standard	$26,455		$26,455			$13,124			$13,261		–		–	–	$32			$39						
1200	General	Standard	$18,989		$18,989			$4,339			$14,665		–		–	–	$1			($16)						
1293	Streetlighting	Standard	$1,291		$1,291			–		$1,283	–		–		–	–	–		$9	–						
1354	Medium Voltage (11kV)	Standard	$12,809		$12,809			$277			$631	$181	$8,557	($20)	$3,134	$58	($0)			($4)	($0)	($4)	($1)	($1)	($1)	
1357	High Voltage (33kV)	Standard	$281		$281			$3			$22		$196	($3)	$62	$1	–			–			$0			
1360	Low Voltage (400V)	Standard	$15,830		$15,830			$1,095			$721	$199	$10,364		$3,286	$172	($0)			($1)	$0	($7)		$0	($0)	
1450	Unmetered	Standard	$33		$33			$28			$5		–		–	–	($0)			($0)						
1557	Commercial Asset Specific	Non-standard	$642		$642			$3			$40		$433		$144	$22										
1630	Commercial Asset Specific	Non-standard	–		–			–			–		–		–	–				–						
1700	Commercial Asset Specific	Non-standard	$606		$606			$2	$229		$38		$276		$60	–				$0		$1				
1153C	Residential Low User Conditional	Standard	$1,540		$1,540			$156			$1,390		–		–	–	($0)			($7)						
1154C	Residential Standard User	Standard	$2,075		$2,075			$1,099			$984		–		–	–	($1)			($7)						
1200C	General Conditional	Standard	$3,758		$3,758			$1,147			$2,663		–		–	–	$1			($53)						
Add extra rows for additional consumer groups or price category codes as necessary																										
		Standard consumer totals	$108,403	–	$108,403	–		$23,802	–	$1,283	$57,106	$380	$19,117	($23)	$6,483	$231	$37	–	$9	($7)	($0)	($11)	($1)	($0)	($1)	
		Non-standard consumer totals	$1,248	–	$1,248	–		$5	$229	–	$78	–	$709	–	$204	$22	–	–	–	$0	–	$1	–	–	–	
		Total for all consumers	$109,651	–	$109,651	–		$23,807	$229	$1,283	$57,184	$380	$19,827	($23)	$6,687	$253	$37	–	$9	($7)	($0)	($11)	($1)	($0)	($1)	

8(iii): Number of ICPs directly billed

Number of directly billed ICPs at year end	3

Check OK

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**
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 year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1–4)
8								
9	All	Overhead Line	Concrete poles / steel structure	No.	37,380	37,397	17	3
10	All	Overhead Line	Wood poles	No.	1,843	1,781	(62)	3
11	All	Overhead Line	Other pole types	No.	16	16	–	3
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	187	187	(0)	3
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	–	–	–	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	238	245	7	3
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	–	–	–	N/A
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	–	–	–	N/A
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	15	15	(0)	3
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	–	–	–	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	–	–	–	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	26	26	–	4
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.	53	52	(1)	4
29	HV	Zone substation switchgear	33kV RMU	No.	9	9	–	4
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	110	110	–	4
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	28	28	–	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.	50	50	–	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	1,927	1,924	(3)	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	608	623	16	3
39	HV	Distribution Cable	Distribution UG PILC	km	113	109	(4)	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.	220	224	4	3
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	409	403	(6)	3
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	6,269	6,302	33	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	–	–	–	N/A
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	1,119	1,132	13	3
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	4,198	4,211	13	3
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	2,037	2,058	21	3
48	HV	Distribution Transformer	Voltage regulators	No.	22	24	2	4
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	–	–	–	N/A
50	LV	LV Line	LV OH Conductor	km	1,019	971	(48)	3
51	LV	LV Cable	LV UG Cable	km	1,409	1,450	41	3
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	1,269	1,281	12	3
53	LV	Connections	OH/UG consumer service connections	No.	96,258	98,195	1,937	2
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	1,005	1,005	–	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1,322	1,367	45	3
56	All	Capacitor Banks	Capacitors including controls	No	1	1	–	4
57	All	Load Control	Centralised plant	Lot	9	9	–	4
58	All	Load Control	Relays	No	56,922	57,584	662	2
59	All	Civils	Cable Tunnels	km	–	–	–	N/A

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**
Network / Sub-network Name	

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 units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

8 **Disclosure Year (year ended)** 31 March 2021

Number of assets at disclosure year end by installation date

9	Voltage	Asset category	Asset class	Units	pre-1940	1940 –1949	1950 –1959	1960 –1969	1970 –1979	1980 –1989	1990 –1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	No. with age unknown	Items at end of year	No. with default dates	Data accuracy (1–4)
10	All	Overhead Line	Concrete poles / steel structure	No.	3	7	36	1,273	17,326	7,205	2,510	234	274	371	217	252	342	329	410	376	432	266	563	591	444	526	495	581	440	601	464	475	352					2	37,397	1	3
11	All	Overhead Line	Wood poles	No.	-	-	17	97	393	474	483	46	57	30	28	10	23	14	9	12	28	8	3	4	11	5	2	6	4	2	4	7	3					1	1,781	5	3
12	All	Overhead Line	Other pole types	No.	-	-	1	1	1	-	2	-	-	-	1	-	-	-	-	-	-	-	-	-	2	-	-	-	-	3	5	-					–	16	–	3
13	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	-	-	-	5	59	36	23	0	12	0	2	-	7	6	1	2	0	-	30	1	-	-	0	1	1	1	0	-	0					–	187	–	3
14	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	-	–	N/A
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	-	-	-	-	13	5	8	7	7	-	0	3	29	29	11	13	7	3	55	22	2	1	15	3	1	2	1	2	7					–	245	–	3
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
18	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	-	14	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	15	–	3
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
23	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
24	HV	Zone substation Buildings	Zone substations up to 66kV	No.	-	-	-	1	5	2	2	-	-	-	-	-	-	-	2	2	6	2	1	1	1	-	-	1	-	-	-	-					–	26	–	4
25	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
27	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
28	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
29	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	-	-	-	-	35	6	1	-	-	3	2	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1				–	52	–	4
30	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	2	6	-	-	-	-	-	-	-	-					–	9	–	4
31	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	-	-	-	-	-	-	29	-	-	-	-	-	-	-	-	18	20	-	9	13	-	-	15	-	6	-	-	-	-					–	110	–	4
32	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	-	-	-	3	3	8	-	-	1	4	-	-	-	1	2	2	-	1	1	1	-	-	-	-	-	-	-	1	-					–	28	–	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
34	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
35	HV	Zone Substation Transformer	Zone Substation Transformers	No.	-	-	-	8	8	3	2	-	2	2	-	-	1	1	4	4	-	2	4	2	1	-	2	2	2	-	-	-	-					–	50	–	4
36	HV	Distribution Line	Distribution OH Open Wire Conductor	km	-	0	4	75	1,042	366	105	12	25	22	9	22	19	14	8	9	14	10	6	13	18	18	31	23	11	24	12	7	5					–	1,924	1	3
37	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	0	N/A
38	HV	Distribution Line	SWER conductor	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
39	HV	Distribution Cable	Distribution UG XLPE or PVC	km	-	-	-	41	59	40	39	15	12	19	9	14	19	24	19	28	42	19	15	23	22	22	29	25	15	18	17	23	15					–	623	–	3
40	HV	Distribution Cable	Distribution UG PILC	km	-	-	-	13	44	51	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	109	–	3
41	HV	Distribution Cable	Distribution Submarine Cable	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	-	-	-	-	3	1	1	-	-	5	2	12	23	-	5	2	7	1	1	2	4	1	22	25	38	27	20	17	5					–	224	–	3
43	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	9	45	37	36	43	11	15	13	1	1	3	5	22	22	22	12	37	15	4	-	8	21	-	3	12	5	1					–	403	–	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	-	6	3	33	947	868	407	66	126	161	128	159	118	175	133	162	192	131	178	264	271	244	303	245	223	209	206	212	130					2	6,302	–	3
45	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	-	–	N/A
46	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	1	-	2	25	140	58	37	4	14	40	19	25	39	45	41	36	37	40	23	51	56	50	72	55	40	39	52	63	27					1	1,132	–	3
47	HV	Distribution Transformer	Pole Mounted Transformer	No.	3	17	46	92	167	467	587	68	96	121	114	100	135	144	143	142	151	97	99	163	133	150	181	135	162	126	160	139	69					4	4,211	–	3
48	HV	Distribution Transformer	Ground Mounted Transformer	No.	3	1	10	41	199	241	214	29	41	52	28	39	52	61	93	88	90	76	58	72	81	79	90	60	51	52	62	58	37					–	2,058	2	3
49	HV	Distribution Transformer	Voltage regulators	No.	-	-	-	-	1	-	2	-	1	-	-	-	1	-	2	2	-	3	1	-	-	-	1	-	1	7	1	1	-					–	24	–	4
50	HV	Distribution Substations	Ground Mounted Substation Housing	No.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-	-					–	–	–	N/A
51	LV	LV Line	LV OH Conductor	km	-	0	1	29	446	243	108	12	14	17	11	11	14	17	9	5	4	2	2	4	4	3	4	2	5	3	1	2	0					–	971	3	3
52	LV	LV Cable	LV UG Cable	km	0	4	-	53	201	269	133	26	25	27	28	34	43	56	39	47	32	16	18	18	24	29	46	43	42	42	55	59	38					–	1,450	0	3
53	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	0	0	1	23	218	228	167	49	45	50	43	60	61	45	31	31	37	13	10	24	20	13	21	16	15	17	16	17	10					–	1,281	–	3
54	LV	Connections	OH/UG consumer service connections	No.	-	-	-	-	-	-	-	1,567	67,336	1,187	1,577	1,718	1,848	1,896	2,215	2,418	1,100	962	1	3	257	1,428	1,393	1,604	1,933	1,685	1,769	1,977	2,321					–	98,195	67,336	2
55	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	-	-	-	71	89	36	63	38	7	34	6	11	26	10	54	65	71	22	82	74	6	17	47	17	72	23	18	45	1					–	1,005	–	3
56	All	SCADA and communications	SCADA and communications equipment operating as a single sys	Lot	-	-	-	-	-	14	13	20	28	23	12	27	37	7	63	19	75	55	72	120	78	54	115	110	142	95	76	75	36					1	1,367	–	3
57	All	Capacitor Banks	Capacitors including controls	No	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	1	–	4
58	All	Load Control	Centralised plant	Lot	-	-	-	2	1	1	1	-	-	1	-	-	-	1	-	-	1	-	-	-	-	-	-	-	-	1	-	-					–	9	–	4
59	All	Load Control	Relays	No	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-					57,582	57,584	–	2
60	All	Civils	Cable Tunnels	km	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-					–	–	–	N/A

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**
Network / Sub-network Name	

SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES

This schedule requires a summary of the key characteristics of the overhead line and underground cable network. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref				
9				
10	**Circuit length by operating voltage (at year end)**	**Overhead (km)**	**Underground (km)**	**Total circuit length (km)**
11	> 66kV	–	–	–
12	50kV & 66kV	–	–	–
13	33kV	187	259	446
14	SWER (all SWER voltages)	–	–	–
15	22kV (other than SWER)	–	–	–
16	6.6kV to 11kV (inclusive—other than SWER)	1,924	732	2,656
17	Low voltage (< 1kV)	971	1,450	2,421
18	**Total circuit length (for supply)**	3,082	2,441	5,523
19				
20	Dedicated street lighting circuit length (km)	279	1,001	1,281
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)			869
22				
23	**Overhead circuit length by terrain (at year end)**	**Circuit length (km)**	**(% of total overhead length)**	
24	Urban	488	16%	
25	Rural	1,908	62%	
26	Remote only	–	–	
27	Rugged only	685	22%	
28	Remote and rugged	–	–	
29	Unallocated overhead lines	–	–	
30	**Total overhead length**	3,082	100%	
31				
32		**Circuit length (km)**	**(% of total circuit length)**	
33	Length of circuit within 10km of coastline or geothermal areas (where known)	375	7%	
34		**Circuit length (km)**	**(% of total overhead length)**	
35	Overhead circuit requiring vegetation management	2,190	71%	

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**

SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS

This schedule requires information concerning embedded networks owned by an EDB that are embedded in another EDB's network or in another embedded network.

sch ref

	Location *	Number of ICPs served	Line charge revenue ($000)
9	Brick Street	18	126
10	Flagship	3	76
11	Halfmoon Bay	60	53
12	Hulme Place	35	19
13	Jeffs Road Dannemora	883	613
14	Kirkdale	266	181
15	Oaklands	178	135
16	Porchester Road	277	211
17	Ryan Place	71	53
18	Southgate	111	88
19			
20			
21			
22			
23			
24			
25			

** Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network*

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**
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

9e(i): Consumer Connections

Number of ICPs connected in year by consumer type

*Consumer types defined by EDB**	Number of connections (ICPs)
1153 Residential Low User	877
1154 Residential Standard User	963
1200 General	162
1293 Metered and Unmetered Streetlighting	(1)
1354 Medium Voltage (11kV)	1
1360 Low Voltage (400V)	25
1450 Unmetered	6
1153C Residential Low User Conditional	(68)
1154C Residential Standard User Conditional	(173)
1200C General Conditional	26
* include additional rows if needed	
Connections total	1,818

Distributed generation

Number of connections made in year	158	**connections**
Capacity of distributed generation installed in year	1.54	**MVA**

9e(ii): System Demand

		Demand at time of maximum coincident demand (MW)
	Maximum coincident system demand	
	GXP demand	187
plus	Distributed generation output at HV and above	93
	Maximum coincident system demand	280
less	Net transfers to (from) other EDBs at HV and above	–
	Demand on system for supply to consumers' connection points	280

		Energy (GWh)	
	Electricity volumes carried		
	Electricity supplied from GXPs	982	
less	Electricity exports to GXPs	75	
plus	Electricity supplied from distributed generation	423	
less	Net electricity supplied to (from) other EDBs	(15)	
	Electricity entering system for supply to consumers' connection points	1,344	
less	Total energy delivered to ICPs	1,283	
	Electricity losses (loss ratio)	61	4.5%
	Load factor	0.55	

9e(iii): Transformer Capacity

	(MVA)
Distribution transformer capacity (EDB owned)	957
Distribution transformer capacity (Non-EDB owned, estimated)	37
Total distribution transformer capacity	994
Zone substation transformer capacity	766

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**
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

10(i): Interruptions

Interruptions by class

		Number of interruptions
10	Class A (planned interruptions by Transpower)	5
11	Class B (planned interruptions on the network)	416
12	Class C (unplanned interruptions on the network)	577
13	Class D (unplanned interruptions by Transpower)	–
14	Class E (unplanned interruptions of EDB owned generation)	–
15	Class F (unplanned interruptions of generation owned by others)	–
16	Class G (unplanned interruptions caused by another disclosing entity)	–
17	Class H (planned interruptions caused by another disclosing entity)	–
18	Class I (interruptions caused by parties not included above)	–
19	**Total**	998

Interruption restoration

		≤3Hrs	>3hrs
22	Class C interruptions restored within	385	192

SAIFI and SAIDI by class

		SAIFI	SAIDI
25	Class A (planned interruptions by Transpower)	0.06	0.2
26	Class B (planned interruptions on the network)	0.31	39.3
27	Class C (unplanned interruptions on the network)	0.72	47.0
28	Class D (unplanned interruptions by Transpower)	–	–
29	Class E (unplanned interruptions of EDB owned generation)	–	–
30	Class F (unplanned interruptions of generation owned by others)	–	–
31	Class G (unplanned interruptions caused by another disclosing entity)	–	–
32	Class H (planned interruptions caused by another disclosing entity)	–	–
33	Class I (interruptions caused by parties not included above)	–	–
34	**Total**	1.09	86.5

Normalised SAIFI and SAIDI

		Normalised SAIFI	Normalised SAIDI
37	Classes B & C (interruptions on the network)	1.03	86.3

Company Name	**WEL Networks Limited**
For Year Ended	**31 March 2021**
Network / Sub-network Name	

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

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

Cause	SAIFI	SAIDI
Lightning	0.01	1.3
Vegetation	0.08	3.1
Adverse weather	0.06	4.2
Adverse environment	–	1.3
Third party interference	0.17	15.5
Wildlife	0.15	6.7
Human error	0.01	0.3
Defective equipment	0.15	11.8
Cause unknown	0.09	2.8

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

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	–	–
Subtransmission cables	–	–
Subtransmission other	–	–
Distribution lines (excluding LV)	0.13	21.6
Distribution cables (excluding LV)	–	–
Distribution other (excluding LV)	0.18	17.7

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

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	0.05	1.1
Subtransmission cables	–	–
Subtransmission other	–	–
Distribution lines (excluding LV)	0.50	31.7
Distribution cables (excluding LV)	0.05	3.6
Distribution other (excluding LV)	0.12	10.6

10(v): Fault Rate

Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
Subtransmission lines	5	187	2.68
Subtransmission cables	–	259	–
Subtransmission other	2		
Distribution lines (excluding LV)	222	1,924	11.54
Distribution cables (excluding LV)	26	732	3.55
Distribution other (excluding LV)	322		
Total	577		

Company Name	WEL Networks Limited
For Year Ended	31 March 2021

Schedule 14 Mandatory Explanatory Notes

(Guidance Note: This Microsoft Word version of Schedules 14, 14a and 15 is from the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018. Clause references in this template are to that determination)

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 11 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 disclosure year 2021 is 5.64% compared to a comparable mid-point estimate of vanilla WACC of 4.05%. This is lower than FY20 (8.86%) mainly due to a lower CPI rate resulting in lower revaluations; a lower value of assets commissioned compared to the prior year; and a reduction in line charge revenue compared to the prior year.

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
5.1. There are no material items included in other regulated income.

5.2. In previous years, the Te Uku windfarm lease revenue has been included in other regulated income. This revenue related to the line and other assets that supply the windfarm. In the current year, upon review of the lease, the assets have been assessed as non-regulated (refer to box 4), and subsequently this has also been reclassified as non-regulated income. In disclosure year 2020, the value included in other regulated income was $2.7M; the corresponding value in disclosure year 2021 would be $2.8M.

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)
The value of the Asset Base in Schedule 4 for disclosure year 2020 was $599.9M and for disclosure year 2021 is now $592.3M; a negative movement of $7.6M. This movement is mainly due to the derecognition of the windfarm assets as discussed below.

Windfarm
In disclosure years 2011/2012, WEL constructed lines for the Meridian windfarm which were subsequently leased by Meridian. At that time, the assets were determined to be network assets and were capitalised into the RAB. During disclosure year 2021, a new tranche of the lease was executed, which triggered a lease modification under IFRS 16. The review concluded the arrangement is a finance lease, and that the assets are not used by WEL for electricity lines services for other customers. This meets the definition of a lost asset per the Electricity Distribution Services Input Methodologies Determination 2012, and indicates these assets need to be removed from the RAB.

The value of the assets in each individual disclosure year is not considered material for restatement of the published schedules, as there is a corresponding lease revenue (refer to box 2) which neutralises the impact on the ROI. Management consider there would be minimal impact on users of the disclosure information, but that an adjustment should be recorded through lost assets in the 2021 disclosure schedules. The value of the adjustment in the affected disclosure categories is below:

Asset Disclosure Category	**$000**
Subtransmission Cables	$19,311
Zone Substations	$7,033
Distribution and LV Lines	$7
Distribution and LV Cables	$1
Distribution Substations and Transformers	$32
Other Network Assets	$7

WIP
The closing value of assets not yet commissioned and included in Works under construction at 31 March 2021 is $23.0M. The WIP balance associated with these assets will be rolled out of WIP once these assets are capitalised onto the RAB register.

Asset allocation
WEL utilises the ABAA allocation methodology for the allocation of poles that are being used for purposes other than electricity e.g. fibre, telephone lines etc, and for the allocation of non-network assets that are being used for purposes other than electricity e.g. building, land, computer assets etc. The current year allocations of $420k for poles and $825k for non-network assets have been included in assets commissioned. Refer to box 8.

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. There is no 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 relates to the non-deductible portion of entertainment.

8.3. There is no income included in regulatory profit / (loss) before tax but not taxable.

8.4. There is no expenditure or loss deductible but not in regulatory profit / (loss) before tax

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)

Tax effect of other temporary differences amount to $2.3M and relate to:

- $1.9M tax effect of the current year portion of capital contributions which are being amortised over 10 years;
- $0.1M tax effect movement in other general provisions;
- -$2.1M tax effect of tax depreciation on overstatement in tax depreciation in FY20 of $7.6M; and
- $2.4M cumulative tax effect relating to the windfarm de-recognition.

Cost allocation (Schedule 5d)

10. 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 7: Cost allocation

All of the costs are allocated on a proxy basis. Within the business support cost centres, timesheets or any other work allocation methods are not utilised. Therefore there are no identifying allocators to enable a causal basis to be used.

Costs have been allocated based on the relevant managers' determination of the time spent on electricity distribution related and non-electricity distribution related functions.

No items were reclassified.

Asset allocation (Schedule 5e)

11. 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 8: Commentary on asset allocation
Assets are considered not directly attributable and have been allocated using ABAA methodology when they do not relate solely to the regulated business.

Not directly attributable Distribution and LV Lines values relate to poles that have multiple uses e.g. fibre, streetlights etc. The allocation is based on GIS information on poles that have mixed use which is a causal allocator.

The allocators for non-network assets e.g. buildings, furniture, computer hardware and software align to the business operational expenditure proxy allocators. Non-network assets relate to the business support cost centres. In these cost centres, timesheets or any other work allocation methods are not utilised. Therefore there are no identifying allocators to enable a causal basis to be used. Asset values have been allocated based on the relevant managers' determination of the time spent on electricity distribution related and non-electricity distribution related functions.

Capital Expenditure for the Disclosure Year (Schedule 6a)

12. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6a. This comment must include-

    12.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;

    12.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 9: Explanation of capital expenditure for the disclosure year
12.1. WEL classifies a project with total cost over $0.5M as a major capital project.

All projects are categorised for ID purposes using AMP classifications to ensure consistency in reporting and any overheads are allocated on a pro-rata basis across all relevant projects.

12.2. No items have been reclassified.

Operational Expenditure for the Disclosure Year (Schedule 6b)

13. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-

    13.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b;

    13.2 Information on reclassified items in accordance with subclause 2.7.1(2);

    13.3 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 10: Explanation of operational expenditure for the disclosure year

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

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

13.2. No items have been reclassified.

13.3. There have been no material items of atypical expenditure.

Variance between forecast and actual expenditure (Schedule 7)

14. 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 11: Explanatory comment on variance in actual to forecast expenditure

Expenditure on Assets

System growth – Approximately $3.3M lower than forecasted spend due to Gordonton Zone Substation Upgrade being delayed due to Covid; and the Stage 2 cabling for TRN substation project being completed under budget.

Asset replacement and renewal – There were a number of projects in this category that were delayed in response to Covid, and a higher focus on CIW works meaning we were not able to complete to the budget resulting in $2.4M lower than forecasted spend overall. This is due to approximately $2.7M lower than forecasted spend over projects relating to distribution and LV crossarms and insulators, ring main units, circuit breakers, subtransmission cables, and protection relay upgrades; and $0.8M lower than forecasted capitalised faults. These were partially offset by $0.7M higher than forecasted spend on unplanned capitalised maintenance; and $0.5M spend on BAR switchgear which was not included in the forecast.

Asset relocations – Approximately $1.5M lower than forecasted spend due to timing of projects from customers for CIW works, including delayed starts in large subdivision projects, mainly as a result of Covid.

Legislative and regulatory – Approximately $0.7M lower than forecasted spend due to seismic upgrades of substations, and other legislative projects being delayed in response to Covid.

Other reliability, safety and supply – Approximately $0.3M lower than forecasted spend mainly across the confined space, and the routes for substations projects as a result of Covid delays.

Expenditure on non-network assets – Approximately $1.3M lower than forecasted spend on atypical non-network assets including EV, mobility and AI software projects.

Operational Expenditure

Routine and corrective maintenance and inspection, and Asset replacement and renewal – Combined these categories are approximately $1.1M lower than forecasted. This is largely driven by delays in the maintenance plan due to the Covid lockdown. There are also differences in the materials and services costs between what is estimated at the time of the forecast, and what the actuals are.

System operations and network support – Capitalised labour from the system operations cost centres is higher than forecasted, and the rates on system fixed assets (which are removed from this category and separately disclosed in the schedules) were higher than forecasted. These combined resulted in a $2.5M lower than forecasted spend in this category.

Information relating to revenues and quantities for the disclosure year

15. In the box below provide-

    15.1 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

    15.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

Box 12: Explanatory comment relating to revenue for the disclosure year
The variance between target revenue and total billed revenue for the year is $204k (0%). This is not a material difference.

Network Reliability for the Disclosure Year (Schedule 10)

16. In the box below, comment on network reliability for the disclosure year, as disclosed in Schedule 10.

Box 13: Commentary on network reliability for the disclosure year
No significant events to normalise within FY21.

Insurance cover

17. In the box below, provide details of any insurance cover for the assets used to provide electricity distribution services, including-

    17.1 The EDB's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;

    17.2 In respect of any self insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

Box 14: Explanation of insurance cover
17.1. 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.

17.2. 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

18. 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:

    18.1 a description of each error; and

    18.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.12.1 is publicly disclosed.

Box 15: Disclosure of amendment to previously disclosed information
[Insert text here]

Company Name	WEL Networks Limited
For Year Ended	31 March 2021

Schedule 15 Voluntary Explanatory Notes

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

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

Disclosure and auditing of reliability information within Schedule 10

As required by the exemption granted 17 May 2021 WEL Networks confirms that successive interruptions have been treated in the same way for the 2021 disclosure year as they were for the 2020 disclosure year. The process applied for calculating SAIDI and SAIFI has been based on all customer interruptions including instances where customers were impacted multiple times in multi-stage outages.

Windfarm - Lost and found asset adjustment

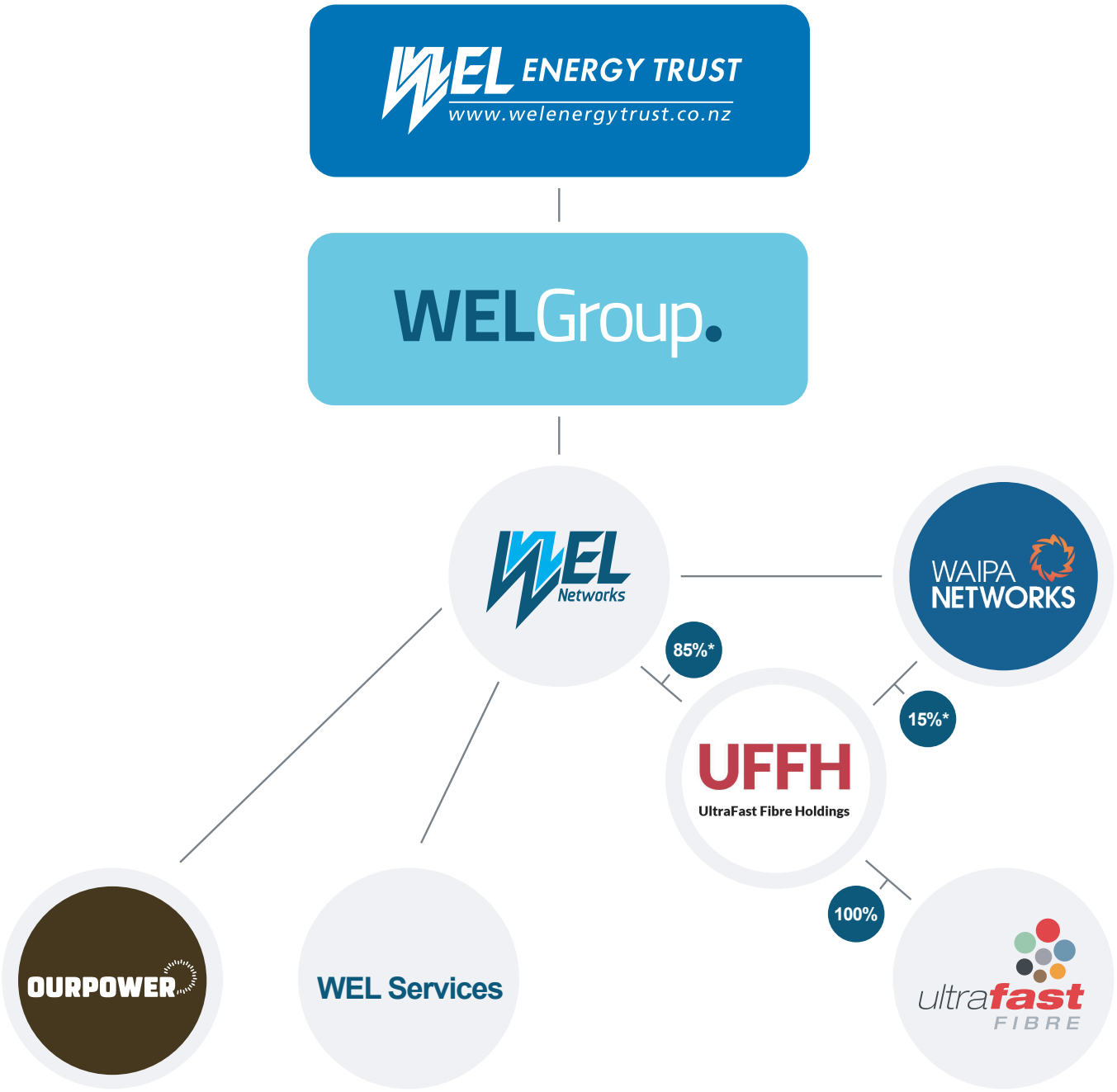
The 2021 Information Disclosure schedules include a correction related to identified windfarm assets being included in previous years' Information Disclosure schedules. It was identified in the current year, following a review of the lease being triggered by a lease modification, that these assets do not meet the definition of network assets to be included in the RAB.

Management consider the assets meet the definition of 'lost' assets and should be removed from the regulatory accounts in the current year. The correction is not considered material for restatement of the published schedules based on the impact on ROI being minimal in FY21 (approximately 0.09% decline in ROI compared to pre correction figures).

Adjustments have been recorded in the FY21 Information Disclosures as follows:

- S4 – Lost and found assets adjustment – $26.4M included as a lost assets, refer to box 4
- S5a(vi) – Tax effect of other temporary differences – $2.4M cumulative tax effect relating to the windfarm de-recognition being $3.8M life to date tax effect of tax depreciation of the identified assets, less $1.4M life to date tax effect of adjusted depreciation of the identified assets
- S5a(viii) – Lost and found assets adjustment – $15.0M included as lost assets being the regulatory tax asset value of the identified windfarm assets at the end of FY21

Regulated Related Party Model



Wholly owned retail provider of power to the Waikato region.

Annual revenue 2021 (000's):

Lines charges: $1,488

Business division providing contracting services to WEL Networks.

Annual expenditure Opex 2021 (000's):

Service Interruption and Emergencies: $2,490
Vegetation Management: $1,016
Routine and Corrective Maintenance and Inspection: $980
Asset Replacement and Renewal: $1,269

Annual expenditure Capex 2021 (000's):

Consumer connection: $1,651
System Growth: $122
Asset Replacement and Renewal: $4,075
Asset Relocations: $330
Quality of Supply: $23
Legislative and Regulatory: $56
Other Reliability, Safety and Environment: $101

UFF builds, owns and operates the UFB network in a variety of urban towns within the north island. UFF rent space on some WEL Networks' poles for their fibre connections.

Annual revenue 2021 (000's):

Pole lease: $151

This revenue is non-regulatory and is excluded from the regulatory Information Disclosures.

* First Fibre Bidco NZ Limited purchased WEL Networks Limited's 85% shareholding and Waipa Networks Limited's 15% shareholding in UFF Holdings Limited in September 2020. Consideration of $200m payable to WEL Networks Limited is deferred for 18 months from completion of the sale.

Related Party Procurement

Procurement Policy Summary

WEL Networks Ltd (WEL) procures a range of goods and services that enable the construction, operation and maintenance of our electricity network. While there is a need to ensure procurement delivers value for money, procurement should also ensure quality, safety, efficient and sustainable sourcing.

WEL Networks may engage related parties to deliver services on their behalf across the distribution network. Related parties may be chosen to achieve efficiency through obtaining desired quality/price, ensure high safety standards and retention of the appropriate skills within WEL.

A **related party** means a person that is related to the EDB, where the EDB would be considered as the 'reporting entity' under NZ IAS 24 or any part of the EDB that does not supply electricity distribution services[1].

The current procurement policy was approved in March 2019 (next review is due in March 2022).

All work is either designed within WEL Networks or through external contractors with the correct expertise. If designed externally it is reviewed by the WEL Networks design team and/or Contract Managers.

WEL is legally responsible for the design and construction of the network and therefore any work carried out on the network must be completed by authorised contractors who are approved by WEL. These contractors are requested to undertake Health and Safety assessments as part of WEL's PCBU requirements and Public Safety Management systems. The list of approved contractors other than WEL's Contracting department can be found by contacting Customer Services on 0800 800 935.

There are a number of key considerations, constraints and drivers for the work allocation including overall network planning principles, network design, supplier expertise in delivery, supplier availability, price and quality.

All materials used on the network are sourced and issued through WEL Networks' Distribution Centre irrespective of who undertakes the work, to ensure consistency in products used as well as quality and pricing.

[1] Commerce Commission, *Electricity Distribution Service Input Methodologies Determination 2012*

Classification of related party procurement

WEL Networks splits it's operational and capital expenditure into a number of categories. These categories serve as the basis for who may be engaged to undertake the work.

Classification	Category	Description	Supplier
OPEX	Service Interruptions & Emergencies	These are usually first response costs that either fix or make safe lines/equipment that have been damaged due to weather events, human interaction e.g. car v poles and general faults.	WEL's Contracting division undertakes this work.
	Planned Maintenance	These are small, planned jobs to ensure the network and buildings are working efficiently and effectively.	WEL's Contracting division completes the majority of this work unless there is insufficient capacity or a higher skill set is held by an approved contractor.
	Vegetation Management	Tree maintenance plays a vital role in delivering a safe and reliable power supply to our communities.	WEL's Contracting division will undertake the work where critical unless the vegetation owner chooses another approved contractor.
CAPEX	Network projects	Network projects tend to be planned in advance, e.g. substation upgrades.	WEL's Contracting division and other approved external contractors. Contractors are selected based on capacity and skill set.
	Asset replacement	Work under this category is largely improvement projects and planned in advance e.g. pole/crossarm replacements or cable conducting. They also include 2nd response fault jobs when the jobs require asset replacements rather than just maintenance.	WEL's Contracting division and other approved external contractors. Contractors are selected based on capacity and skill set.
	Customer Initiated Works	These works include subdivisions, new connections, asset relocations etc.	WEL's Contracting division and other approved external contractors. Contractors are selected based on capacity and skill set.

Examples of procurement by category

Example	Practical application of Policy	Supplier used	Reason for supplier used	How cost is determined	Change from Prior year?
Service Interruptions & Emergencies					
Earth Fault Customer has called with a fault. Faultman has tested earth loop at transformers and looked for loose neutral connection at network and customer boards. Identified faulty hot water cylinder causing the earth fault and isolated. Advised customer to get electrician.	A work order is automatically created at the time a fault call is made and a faultman is dispatched. Due to the unknown nature of fault work, the work required is assessed on the job. This example was completed by the faultman and did not need any additional planning or design work.	WEL's Contracting division	To utilise the expertise and services of a stand-by team who are available 24/7.	Labour rate is based on average salary costs plus overheads. Average salary costs are based on average productivity/ billability levels.	None
Planned Maintenance					
Battery discharge testing at Silverdale substation Performed discharge testing on all Protection and COMMs batteries in substation.	Maintenance jobs are divided equally over maintenance cycles. A maintenance plan is produced that includes routine maintenance and automatically creates a work order once the task is due for maintenance. Work included in maintenance plan such as the example given, is pre-approved by the Maintenance manager and is reviewed by the planning team once work order is created before being given to the scheduling team and dispatched for completion.	WEL's Contracting division	To utilise the expertise and services of teams with knowledge of WEL's network.	Labour rate is based on average salary costs plus overheads. Average salary costs are based on average productivity/ billability levels.	None
Vegetation					
Monthly line inspection 100% of the network is required to be inspected for possible vegetation issues. The vegetation costs include line inspection and cuts.	When vegetation poses a danger to the network WEL is obligated to undertake the work to remove the danger. If trees are on private land and within the Growth Limit Zone a notification letter is given to the land owner and at this point the owner has a choice of who they use to trim the trees.	WEL's Contracting division and other contractors	Customers have the ability to choose contractors. WEL's Contracting division is used for critical cuts.	Labour rate is based on average salary costs plus overheads. Average salary costs are based on average productivity/ billability levels.	None

Asset replacement					
Asset Replacement Rural Reliability Project This project is included replacement of 16mm^2 Copper Conductor, undergrounding 300m of line and installing more Network switches.	This was included in the annual Asset Management Plan. The work was designed and costed within WEL Networks and due to the financial value was approved by the CEO. The project was then scheduled for completion.	WEL's Contracting division	Supplier has been chosen based on expertise and availability.	Labour rate is based on average salary costs plus overheads. Average salary costs are based on average productivity/ billability levels.	None
Network projects					
CLA 33 kV and 11kV CB Replacement and Protection Upgrade This is a combined Asset Replacement and Network Development Project that involved the replacement of 17x 11kV circuit breakers + protection for those breakers and the associated 33/11kV transformers.	This was included in the annual Asset Management Plan. The work was designed and costed within WEL Networks and due to the high value it was approved by the GM. The project was then scheduled for completion.	WEL's Contracting division	Supplier has been chosen based on expertise and availability.	Labour rate is based on average salary costs plus overheads. Average salary costs are based on average productivity/ billability levels.	None
Customer Initiated Works					
Relocation Customer request for new connection point for relocated service main (overhead to underground conversion).	A customer requested the relocations. This request was scoped, designed, costed and approved within WEL. A quote was sent to the customer for their contribution towards the project. Once the customer accepted the quote and a deposit was made, the work was allocated for completion.	WEL's Contracting division	Supplier has been chosen based on expertise and availability.	Labour rate is based on average salary costs plus overheads. Average salary costs are based on average productivity/ billability levels.	None

Market Testing

Category	Type of test	Last tested	Comments
Service Interruptions & Emergencies	Labour and plant rate comparison	2019	Labour rates are calculated as actual cost plus an allocation of overheads. These labour rates are compared against contractors for reasonableness however the related party is solely used and the department is run on a break even basis*
Planned Maintenance	Labour and plant rate comparison	2021	Labour rates are calculated as actual cost plus an allocation of overheads. These labour rates are compared against contractors for reasonableness however the related party is used in the first instance**
Vegetation Management	None	Never tested	Customer can choose the supplier therefore WEL's Contracting division has to be competitive in its pricing to ensure they retain the work.
Network projects	Labour and plant rate comparison	2021	Rates are compared annually between related party and external contractors.
Asset replacement	Labour and plant rate comparison	2021	Rates are compared annually between related party and external contractors.
Customer Initiated Works	Labour and plant rate comparison	2021	Rates are compared annually between related party and external contractors.

*The related party is solely utilised for this category due to the unknown nature of the work. This work relies on teams being available 24/7 and therefore WEL, through its related party, has a first response team that are on standby to be able to attend faults at short notice. This reduces response time and utilises the knowledge, expertise and intellectual property of the staff in-house.

**The related party is used primarily for this category as it has a team of skilled and qualified personnel to complete the work. It involves having knowledge of the network which is less likely to apply to external contractors.