



Default Price-Quality Path

Annual Compliance Statement

1 April 2021 – 31 March 2022 Assessment Period

30 August 2022

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1. Introduction

Top Energy Limited (Top Energy) is subject to price-quality regulation under Part 4 of the Commerce Act 1986. The Commerce Commission has set a Default Price-Quality Path (DPP) which applies to Top Energy from 1 April 2020.

This annual compliance statement is published in accordance with clause 11.4 of the 2020 DPP Determination, and applies to the second assessment period, commencing 1 April 2021 and ending 31 March 2022.

This statement confirms that Top Energy:

- Complies with the requirement to calculate the wash-up amount for the assessment period (section 3)
- Complies with the quality standards for the assessment period (section 4); and
- Has not entered into any agreement with another EDB or Transpower for an amalgamation, merger, major transaction or non-reopener transaction in the assessment period (section 5)

A copy is available on Top Energy's website www.topenergy.co.nz

2. Date prepared

This statement was prepared on 30 August 2022.

3. Wash-up amount

3.1 Statement of compliance

As demonstrated in Table 1 in Section 3.2, and consistent with clause 8.6 of the 2020 DPP Determination, Top Energy has complied with the wash-up amount calculation for the second assessment period.

The wash-up amount for the 2022 assessment period will be included in the calculation of allowable revenue and price-setting for the 2024 assessment period, beginning 1 April 2023. The wash-up amount is included in the calculation of allowable revenue two years after the relevant revenue assessment period.

For presentation purposes the tables set out in this document are aggregates of the price and quantity information. While dollar balances are rounded to the nearest thousand dollars, the underlying compliance calculations apply to the whole number.

3.2 Wash-up amount calculation

Table 1

Wash-up amount RY22		
Term	Description	Value (\$000)
Actual allowable revenue (AAR)	<i>Sum of actual net allowable revenue, actual pass-through and recoverable costs, pass-through balance and revenue wash-up draw down amount</i>	47,727
Actual revenue (AR)	<i>Sum of actual revenue from prices plus other regulated income</i>	47,283
Revenue foregone (RV)	<i>Actual net allowable revenue x (revenue reduction percentage - 20%) when revenue reduction percentage is greater than 20%, otherwise nil</i>	-
Wash-up amount	<i>AAR - AR - RV</i>	443

Further information supporting actual allowable revenue is included in Section 3.2.1.

Further information supporting actual revenue is included in Section 3.2.2.

Further information supporting revenue foregone is included in Section 3.3.3.

3.2.1 Actual allowable revenue

Table 2 below shows the actual allowable revenue for the assessment period consistent with Schedule 1.6 of the 2020 DPP Determination.

The actual allowable revenue is the actual net allowable revenue plus pass-through and recoverable costs, any wash-up draw down amount and pass-through balance (PTB), that Top Energy can earn in an assessment period.

Table 2

Actual allowable revenue RY22		
Term	Description	Value (\$000)
Actual net allowable revenue (ANAR)	<i>Actual net allowable revenue as set out in in Schedule 1.6 (3) for the period ending 31 March 2022</i>	40,029
Actual pass through costs	<i>Actual pass-through costs and Actual recoverable costs</i>	283
Actual recoverable costs	<i>Actual recoverable costs, excluding any recoverable cost that is a revenue wash-up drawn down amount</i>	7,605
Opening wash-up account balance	<i>The opening wash-up account balance for the second assessment period of the DPP regulatory period is nil as set out in Schedule 1.7 (1)(a)</i>	-
Pass-through balance allowance	<i>(ePTB - Pass-through balance) x (1 + 67th percentile estimate of post-tax WACC)²</i>	(191)
Actual allowable revenue (AAR)	<i>Actual net allowable revenue + actual pass-through costs and actual recoverable costs</i>	47,727

Further information supporting actual pass-through costs, actual recoverable costs and the pass through balance is included in Appendix A.

3.2.2 Actual revenue

Table 3 below shows actual revenue for the assessment period consistent with clause 4.2 of the 2020 DPP Determination.

Appendix B contains the schedules of prices and quantities used to calculate actual revenue from prices. This schedule shows that Top Energy recovered \$943k higher actual revenue from prices, including prior period wash-ups, than the forecast revenue from prices.

Table 3

Actual revenue from prices RY22		
Term	Description	Value (\$000)
Actual revenue from prices ($\Sigma P_{2021/22} * Q_{2021/22}$)	<i>Actual prices between 1 April 2021 and 31 March 2022 multiplied by actual quantities for the period ending 31 March 2022</i>	47,011
Prior period wash-ups	<i>Prior year revisions that are receipted in the current year</i>	284
Gains and Losses	Gain or loss on disposed assets	(348)
Other Income	Other regulated income as defined in the IM determination	336
<i>Total Actual revenue (AR)</i>		47,283

Further information supporting actual revenue from prices is included in Appendix B.

3.2.3 Revenue foregone

The revenue forgone component of the wash up calculation places a cap on the amount of revenue that can recovered through the wash-up mechanism if there is a reduction in revenue from prices relative to forecast of more than 20%.

Table 4 below shows the revenue foregone consistent with clause 4.2 of the 2020 DPP Determination. Revenue foregone is Nil as the variance to forecast is < 20 %.

Table 4

Revenue Forgone RY22		
Term	Description	Value (\$000)
Actual net allowable revenue (ANAR)	<i>Actual net allowable revenue as set out in in Schedule 1.6 (3) for the period ending 31 March 2022</i>	40,029
Revenue reduction percentage (RRP)	<i>1 - (actual revenue from prices / forecast revenue from prices)</i>	-2.04%
Revenue foregone (RV)	Actual net allowable revenue x (RRP- 20%) when RRP is greater than 20%, otherwise nil	-

4. Quality standards

4.1 Statement of compliance with planned interruptions quality standards

Top Energy is subject to a planned accumulated SAIDI limit and a planned accumulated SAIFI limit which are assessed for the DPP regulatory period as stated in clause 9.2 of the 2020 DPP Determination.

Table 5 and Table 6 below show the planned accumulated SAIDI and SAIFI limits for Top Energy for the DPP regulatory period and the planned SAIDI and SAIFI assessed values for the first and second assessment period.

Table 5

Planned interruptions quality standard - SAIDI	
Sum of planned SAIDI assessed values ≤ Planned accumulated SAIDI limit	
Planned accumulated SAIDI limit	1905.36
Planned SAIDI assessed value for the first assessment period	99.21
Planned SAIDI assessed value for the second assessment period	113.56
Compliance result	Compliant

Table 6

Planned interruptions quality standard - SAIFI	
Sum of planned SAIFI assessed values ≤ Planned accumulated SAIFI limit	
Planned accumulated SAIFI limit	7.7526
Planned SAIFI assessed value for the first assessment period	0.82
Planned SAIFI assessed value for the second assessment period	0.97
Compliance result	Compliant

Further information supporting planned SAIDI and SAIFI assessed values is included in Section 4.1.1.

4.1.1 Planned SAIDI and SAIFI assessed values

Table 7 and Table 8 below show Top Energy’s planned SAIDI and SAIFI assessed values for the assessment period.

Table 7

Planned SAIDI assessed value RY22		
Term	Description	Value
Class B non-notified interruptions		50.28
Class B notified interruptions falling outside window		2.89
SAIDI_B	<i>Sum of Class B non-notified interruptions</i>	53.17
Class B notified interruptions falling inside window		115.63
Class B intended interruptions cancelled without notice		5.162
Class B intended interruptions cancelled with notice		-
SAIDI_N	<i>Sum of Class B notified interruptions</i>	120.79
Planned SAIDI assessed value	<i>SAIDI_B + (SAIDI_N/2)</i>	113.56

Table 8

Planned SAIFI assessed value RY22		
Term	Description	Value
Planned SAIFI assessed value	<i>Sum of Class B interruptions commencing within the assessment period</i>	0.969

4.2 Statement of compliance with unplanned interruptions quality standards

As demonstrated in Table 9 and Table 10 below, and consistent with clause 9.7 of the 2020 DPP Determination, Top Energy has complied with the unplanned interruptions quality standard.

Table 9

Unplanned interruptions quality standard RY22 - SAIDI		
Unplanned SAIDI assessed value ≤ Unplanned SAIDI limit		
Unplanned SAIDI limit		380.24
Unplanned SAIDI assessed value	<i>Sum of normalised SAIDI values for Class C interruptions commencing within the assessment period</i>	342.68
Compliance result		Compliant

Table 10

Unplanned interruptions quality standard RY22 - SAIFI		
Unplanned SAIFI assessed value ≤ Unplanned SAIFI limit		
Unplanned SAIFI limit		5.0732
Unplanned SAIFI assessed value	<i>Sum of normalised SAIFI values for Class C interruptions commencing within the assessment period</i>	3.948
Compliance result		Compliant

Information about policies, procedures and calculations for measuring planned and unplanned interruptions during the assessment period is in Appendix C.

4.2.1 Major events

Table 11 and Table 12 below show the SAIDI and SAIFI values attributed to major events which occurred during the assessment period.

Further information about major events is included in Appendix D.

Table 11

Unplanned SAIDI major events RY22			
Start	End	Pre-normalised unplanned SAIDI	Normalised unplanned SAIDI
03/08/2021 4:30 am	03/08/2021 2:30 pm	34.20	5.75
12/02/2022 5:00 pm	13/02/2022 6:30 pm	385.89	15.51

Table 12

Unplanned SAIFI major events RY22			
Start	End	Pre-normalised unplanned SAIFI	Normalised unplanned SAIFI
12/02/2022 5:00 pm	13/02/2022 10:00 am	0.626	0.114

4.3 Statement of compliance with extreme event standard

As demonstrated in Table 13 below, and consistent with clause 9.9 of the 2020 DPP Determination Top Energy has complied with the extreme event standard.

Table 13

Extreme event standard RY22	
<i>Unplanned SAIDI value \leq 120 minutes, and customer interruption minutes \leq six million during any 24-hour period, excluding unplanned interruptions from major external factors</i>	
Number of extreme events	Compliance result
nil	Compliant

4.4 Quality Incentive Adjustment

Table 14 below shows Top Energy quality incentive adjustment for the assessment period.

Table 14

Table 15 below shows Top Energy's quality incentive adjustment inputs consistent with Schedule 4 of the 2020 DPP Determination.

Quality Incentive Adjustment RY22		
Term	Description	Value (\$000)
SAIDI planned adjustment	$(SAIDI_{planned, target} - SAIDI_{planned, assessed}) \times 0.5 \times IR$	\$22.095
SAIDI unplanned adjustment	$(SAIDI_{unplanned, target} - SAIDI_{unplanned, assessed}) \times IR$	-\$133.027
Total adjustment	$SAIDI_{planned adjustment} + SAIDI_{unplanned adjustment}$	-\$110.933
Revenue at risk	$0.02 * ANAR$	\$800.581
Total reward		-\$110.933
67th percentile estimate of post-tax WACC		4.23%
Quality incentive adjustment		-\$120.516

Table 15

Quality Incentive Adjustment Inputs RY22					
Term	Units	Value	Term	Units	Value
SAIDI planned interruption cap	minutes	381.07	SAIDI unplanned interruption cap	minutes	380.24
SAIDI planned interruption collar	minutes	-	SAIDI unplanned interruption collar	minutes	-
SAIDI planned interruption target	minutes	127.02	SAIDI unplanned interruption target	minutes	302.16
Planned SAIDI assessed value	minutes	113.56	Unplanned SAIDI assessed value	minutes	342.68
Incentive rate		3,283			
Actual net allowable revenue (ANAR)	\$0	40,029			
SAIDI planned interruption target	minutes	127.02	SAIDI unplanned interruption target	minutes	302.16
Minimum of the planned SAIDI cap and assessed value	minutes	113.56	Minimum of the unplanned SAIDI cap and assessed value	minutes	342.68
Planned SAIDI subject to incentive	minutes	13.46	Unplanned SAIDI subject to incentive	minutes	-40.52
Adjustment (IR x 0.5)	\$	1641.5	Adjustment (IR)	\$	3,283
SAIDI planned adjustment	\$0	\$22,095	SAIDI planned adjustment	\$0	-\$133,027

5. Transactions

Top Energy has not entered into any agreement with another EDB or Transpower for an amalgamation, merger major transaction or non-reopener transaction in the assessment period

6. Director's certification

A Director's certificate in the form set out in Schedule 7 of the 2020 DPP Determination is included as Appendix E.

7. Assurance report

An assurance report meeting the requirements of Schedule 8 of the 2020 DPP Determination is included in Appendix F.

Appendix A – Pass-through and recoverable costs

Table 16 and 17 compare the forecast pass through and recoverable costs used to set forecast allowable revenue for the assessment period, to the actual pass-through and recoverable costs used to determine actual allowable revenue.

These costs for the assessment period were forecast by Top Energy in December 2020 as part of the company's annual pricing process. For the 2022 assessment period the actual pass-through and recoverable costs incurred were \$14k more than forecast.

Pass-through costs

Table 16

Passthrough Costs for year ending March 2022				
Description	2022 Actual \$	2022 Forecast \$	Variance (\$)	Variance (%)
Rates	55,589	53,355	2,234	4.02%
Electricity Authority Levies	91,840	78,216	13,624	14.83%
Commerce Commission Levies	113,680	114,637	(957)	(.84)%
Complaints Levy	22,304	23,034	(730)	(3.27)%
Total	283,412	269,241	14,171	5%

Recoverable costs

Table 17

Recoverable Costs for year ending March 2022					Notes
Description	2022 Actual \$	2022 Forecast \$	Variance (\$)	Variance (%)	
Transpower	4,828,652	4,828,652	-	-	As per Transpower billing
Avoided Transmission Ngawha	2,409,885	2,409,885	-	-	Based on RCPD Hundred peaks and Transpower price for Interconnection
Extended Reserves Allowance	-	-	-	-	
Quality Incentive Adjustment	358,295	358,295	-	.%	Quality Incentive calculation for 21/22
Innovation	-	-	-	-	No Innovation spending in AMP
IRIS (OPEX)	1,016,679	1,016,679	-	-	As per Com Com model for IRIS
IRIS (CAPEX))	(470,570)	(470,570)	-	-	As per Com Com model for IRIS
CAPEX wash-up Adjustment	(537,649)	(537,649)			
Total	7,605,291	7,605,291	-	.%	

Pass-through balance

Table 18

Pass-through balance allowance RY22		
Term	Description	Value (\$000)
Pass-through balance	<i>Pass-through balance for the assessment period ending 31 March 2020</i>	(62)
ePTB	<i>An estimate of the pass-through balance as at 31 March 2020</i>	(238)
67th percentile estimate of post-tax WACC		4.23%
Pass-through balance allowance	<i>$(ePTB - \text{pass-through balance}) \times$ $(67\text{th percentile estimate of post-tax WACC})^2$</i>	(191)

Appendix B – Prices and quantities

Table 19 shows the forecast revenue from prices for the second assessment period from the price setting compliance statement.

Table 19

Forecast revenue from prices RY22	
Total forecast revenue from prices	46,352

Table 20 shows the actual prices and quantities for actual revenue from prices for the first assessment period

Table 20

PP 12022-04		Prices at 31 March 2022 multiplied by QTY 31 March 2022 Actual																	
Number of Months		365																	
Number of Days:																			
Tariff or Fee	Description	Pass-through Average Number of ICs 31/03/22	Distribution Average Number of ICs 31/03/22	Total Revenue (\$)		Discount										Total Revenue (\$)			
				SP, 2022 Q 2022	SP, 2022 Q 2022	ICP Numbers eligible as 31.3.2022	Percentage	Kwh discounted	Fixed Discount 5/day		Variable Discount t/kWh (Capped)		Actual Distribution Discount (\$)		Total Discount (\$)	Total Revenue less Discount (\$)			
									Fixed	Variable	Fixed	Variable	Fixed	Variable					
Low user Non-TOU (LR)																			
LRF	LRF Daily Transmission Price	7913	7,913	433,237	7,689				0.1373				(385,343)	(385,343)					47,894
Capacity Charge 4 to 12kW																			
LUC	UN24 LRF Uncontrolled			1,529,129		18%	1,533,215		0.1481			227,069.20	(227,069)						1,302,060
LA	IN18 LRF All Inclusive			5,315,383		79%	6,711,116		0.1481			993,916.24	(993,916)						4,321,467
LFC	CN20 LRF Controlled 20			16,074															16,074
LD	D16 LRF Day			201,583		2%	207,565		0.1481			30,740.40	(30,740)						170,843
LN	N8 LRF Night			29,822															29,822
Low user TOU Uncontrolled																			
LUF	LUF Daily price on HHR	1626	1,626	89,021	1,726				0.1373				(86,495)	(86,495)					2,527
Capacity Charge 4 to 12kW																			
LUL1	UN24 LUF Peak			393,132		23%	384,789		0.1481			296,987.30	(296,987)						393,132
LUL2	UN24 LUF Shoulder			809,408		59%	1,088,674		0.1481			161,232.56	(161,233)						648,175
LUL3	UN24 LUF Off peak			252,941		21%	381,114		0.1481			56,442.93	(56,443)						196,498
Low user TOU controlled																			
LCF	LCF Daily price on HHR	6883	6,883	376,827	7,253				0.1373				(663,492)	(663,492)					13,335
Capacity Charge 4 to 12kW																			
LC1	IN18 LCF Peak			1,627,699		20%	1,596,153		0.1481			296,300.30	(296,300)						1,391,309
LC2	IN18 LCF Shoulder			3,028,421		54%	4,361,730		0.1481			645,972.23	(645,972)						2,382,448
LC3	IN18 LCF Off peak			1,361,879		26%	2,114,226		0.1481			313,116.88	(313,117)						1,048,762
Standard user Non-TOU (SR)																			
SF	SF Daily Price	5683	5,683	2,800,538	2,144				0.3402				(266,197)	(266,197)					2,534,341
Capacity Charge 4 to 12kW																			
SUC	UN24 SRF Uncontrolled			1,439,575		23%	2,111,292		0.0825			174,181.59	(174,182)						1,265,394
SA	IN18 SRF All Inclusive			3,755,933		74%	7,556,837		0.0825			623,439.05	(623,439)						3,131,994
SFC	CN20 SRF Controlled 20			28,876															28,876
SD	D16 SRF Day			310,062		5%	514,604		0.0825			42,454.80	(42,455)						267,607
SN	N8 SRF Night			69,554		0%													69,554
Standard user TOU Uncontrolled																			
SUF	SUF Daily price on HHR	1867	1,867	920,168	777				0.3402				(96,437)	(96,437)					823,731
Capacity Charge 4 to 12kW																			
SU1	UN24 SUF Peak			590,248		19%	682,682		0.0825			56,321.26	(56,321)						533,926
SU2	UN24 SUF Shoulder			1,144,055		54%	1,931,330		0.0825			159,334.75	(159,335)						984,720
SU3	UN24 SUF Off peak			494,436		27%	985,907		0.0825			81,337.29	(81,337)						413,099
Standard user TOU Controlled																			
SCF	SCF Daily price on HHR	3539	3,539	1,743,721	1,533				0.3402				(190,400)	(190,400)					1,553,320
Capacity Charge 4 to 12kW																			
SC1	IN18 SCF Peak			924,308		20%	1,459,201		0.0825			120,384.05	(120,384)						803,924
SC2	IN18 SCF Shoulder			1,649,394		53%	3,078,780		0.0825			328,249.36	(328,249)						1,321,145
SC3	IN18 SCF Off peak			625,795		27%	2,025,390		0.0825			167,094.67	(167,095)						458,701
Community (GM)																			
GMF																			
GMV																			
General User (GG)																			
GGF	GGF Daily Price	3715	3,715	2,033,877	1,401				0.3402				(173,949)	(173,949)					1,859,928
Capacity Charge to 15 kVA																			
GGUC	UN24 GGF Uncontrolled			7,020,731		81%	4,750,452		0.0825			391,912.25	(391,912)						6,628,819
GGIA	IN18 GGF All Inclusive			437,886		7%	406,669		0.0825			33,550.19	(33,550)						404,339
GGIC	CN20 GGF Controlled 20			376,423															376,423
GGD	D16 GGF Day			965,761		13%	743,781		0.0825			61,361.93	(61,362)						904,399
GGN	N8 GGF Night			251,148		0%													251,148
General TOU Uncontrolled																			
GUF	GUF Daily price on HHR	1355	1,355	742,044	614				0.3402				(76,251)	(76,251)					665,793
Capacity Charge 4 to 12kW																			
GU1	UN24 GUF Peak			604,805		18%	478,873		0.0825			39,507.02	(39,507)						565,298
GU2	UN24 GUF Shoulder			1,240,967		56%	1,509,744		0.0825			124,058.86	(124,059)						1,116,988
GU3	UN24 GUF Off peak			526,445		27%	721,165		0.0825			59,426.12	(59,426)						466,948
General TOU controlled																			
GCF	GCF Daily price on HHR	375	375	205,343	145				0.3402				(17,965)	(17,965)					187,377
Capacity Charge 4 to 12kW																			
GC1	IN18 GCF Peak			159,217		17%	117,684		0.0825			9,708.91	(9,709)						149,508
GC2	IN18 GCF Shoulder			327,747		54%	367,467		0.0825			30,315.99	(30,316)						297,451
GC3	IN18 GCF Off peak			128,300		28%	189,555		0.0825			15,638.29	(15,638)						112,661
General Advanced User (GA)																			
GAF	TOU or SM GAF Daily price on HHR	45	45	149,906	44				0.5500				(8,898)	(8,898)					141,008
G1	G1 Peak			257,049		25%	1,183,717		0.0038			4,498.12	(4,498)						252,551
G2	G2 Shoulder			370,470		52%	2,511,434		0.0038			9,543.45	(9,543)						360,927
G3	G3 Off peak			87,021		25%						4,275.10	(4,275)						82,746
LDG																			
LDG01				11,098															11,098
LDG02				15,939															15,939
LDG03				8,821															8,821
LDG				17,456															17,456
Larger User (TOL)																			
TOU	TOU Daily price on HHR	38	38	366,738	38				0.5500				(7,685)	(7,685)					359,053
Capacity Charge 4 to 12kW																			
TOL1	Peak			391,506		32%	3,241,051		0.0038			12,315.99	(12,316)						379,190
TOL2	Shoulder			560,594		68%	6,816,219		0.0038			25,901.63	(25,902)						534,692
TOL3	Off peak			24,638															24,638
TOL4		24	24	233,108	24							5,056	(5,056)						228,052
TOL7x1	Peak			695,016		32%	4,849,027		0.0038			18,426.30	(18,426)						676,590
TOL7x2	Shoulder			992,181		68%	10,167,131		0.0038			38,635.10	(38,635)						953,546
TOL7x3	Off peak			80,084															80,084
TOL7xT				107,193															107,193
TOLVFD				47,918															47,918
Industrial																			
0000984310TEB8		1	1	1,196,528	1							38.12	(17,391)	17,391					1,179,137
0000930130TE455		1	1	415,930	1							19.06	(8,696)	8,696					407,233
Non standard	LDG	1	1	777,058															777,058
Islip Gen	LDG	1	1																
Kaitiaki Gen	LDG	1	1																
Street Lights	LDG	1	1																
LIC																			
UMCONS0		143	143	22,486															22,486
UMDECL		1	1	1,841															1,841
UMSG		0	0																
UMSL		3	3	164															164
UMSNT		5	5	438															

Appendix C – Policies and procedures for measuring planned and unplanned interruptions

- **PROCESS SUMMARY**

The Top Energy Network Control Centre (TECC) records all customer outages using an Advanced Distribution Management System (ADMS) - GE Power On Advantage. Outages are classified as either Unplanned when a fault occurs on the Network or Planned when customers are notified in advance of a scheduled outage. All outages are posted on the Top Energy Outage Centre website which also sends outage notifications and restoration updates directly to Electricity Retailers and subscribed customers via a mobile App. All Network reliability performance data is sourced from the ADMS Outage Reports.

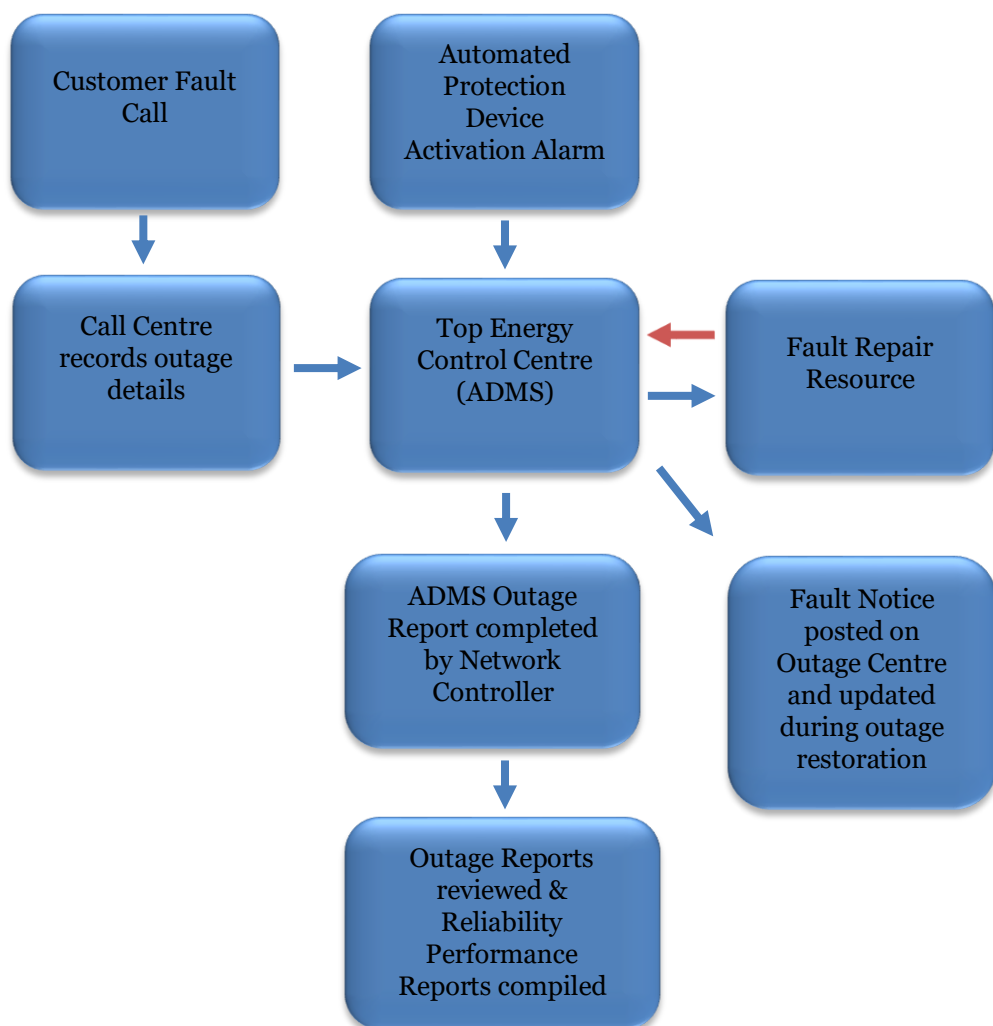
UNPLANNED OUTAGES

Unplanned outages can be initiated by 2 types of events which determine the outage start time used:

1. Customer Fault Call received by the Call Centre - start time is the Call record entry time;
2. Automated Protection Device Activation Alarm - start time is the Device operation time.

Fault Call details are entered into the Call Management System by the Call Centre Operators who identify key information about the fault and record the contact details of the Caller. A Network Controller in the TECC reviews the Fault Call details and creates an outage Incident in the ADMS.

Automated Protection Device initiated faults automatically trigger the creation an outage Incident in the ADMS. The Fault Dispatcher or Network Controller may dispatch a fault-crew resource directly or via the Contractor's Faults Supervisor. A Fault Notice is posted on the Outage Centre website and is updated during the Incident as the supply to customers is restored. Once all supply has been restored a Network Controller completes an Incident Outage Report.



Interruption to Unplanned Outage Response or Repair

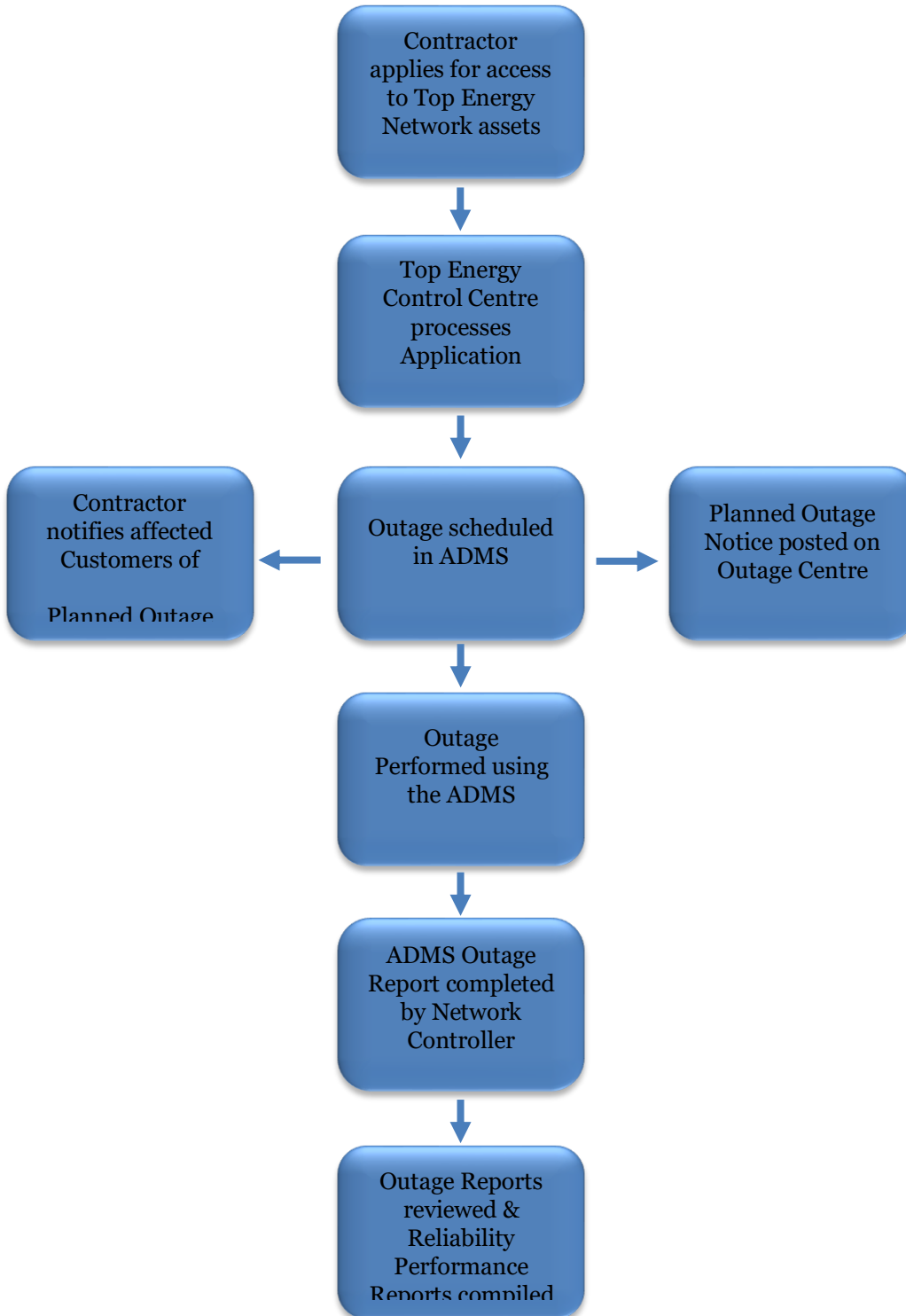
- For unplanned outages where the fault response resource is under the control of a third party or obstructed from attending and resolving the fault, the field resource will notify the Network Controller of the time of the obstruction affected our ability to respond and the time we were able to recommence the response. Those times will be recorded in the ADMS and the field switching sheet. The outage minute count will stop upon notification of obstruction and commence when we are back in the position we were prior to the notification of obstruction and able to resume from that point. (Examples of obstructions are lack of access to fault sites due to Civil Defence, Road Authority, Police, Emergency Services, or Worksafe NZ in control of site preventing faults response access etc.);
- For unplanned outages where our fault response resource is stood down due to safety issues including weather conditions or environment (e.g. extreme weather, terrain, remoteness, darkness, or fatigue etc). The outage minute count will stop when field resource notifies the Network Controller of the decision to stop to manage safety risks and will recommence once the fault response resource is back in the same position prior to the notification of the stop to manage safety and able to resume from that point. This may include suspension of restoration and or repairs until an agreed safety plan can be agreed and implemented;
- For unplanned outages where customers notify that they do not wish for power to be restored until a later agreed time or date or deny access to their property or agree to be left without supply until an agreed commencement time, then the same principles for reporting outage minutes apply as for site obstruction.

Only high voltage assets owned and operated by Top Energy are included in SAIDI calculations. Serviceability is defined by the customer's ability to receive line function services and at their point of supply/Network connection (ICP).

- **PLANNED OUTAGES**

Planned outages are managed by the Control Centre which:

1. approves scheduling of work/outages applied for by the field Contractor;
2. creates a precompiled Switching Procedure for the outage;
3. posts a planned outage notice on the Outage Centre which is updated during outage restoration;
4. conducts and coordinates the planned switching on the network;
5. records network device operation times and affected ICPs in the ADMS - used for outage reporting.



- **ADMS INCIDENT RECORDING**

All outages on the Top Energy Network are recorded as Incidents in the ADMS Outage Management System (OMS). The OMS runs traces on its Network model to identify the ICPs affected during an Incident. The outage minutes for each network device operation are determined by tracing/counting the ICPs affected and calculating the duration of that outage restoration stage.

The customer minutes lost (CML) for an Incident is the sum of the outage minutes for each outage restoration stage:

$$\text{CML} = \sum (\text{ICP count Stage 1} \times \text{Duration Stage 1}) + (\text{ICP count Stage 2} \times \text{Duration Stage 2}) + \dots$$
 (and so on for each stage)

The SAIFI figure for each incident is calculated using the total number of ICPs affected. Repeat interruptions of supply to an ICP during an incident are not counted in the recorded SAIFI total.

Top Energy maintains an ICP database (Club ICP) which is based on the industry-maintained Registry equivalent. The ICP database is maintained consistently in compliance with relevant Rules and Regulations. The ICP data is sourced from the Electricity Registry and updated in the database each day. An automated process runs daily which compares the ICP data from Club ICP to the ADMS customer records and performs any required updates/deletions/insertions.

A Network connectivity model is maintained in the Geographical Information System (GIS). Updates to the GIS connectivity model are applied as patches to the ADMS Network Model. A trace is run through the GIS Network connectivity model that gathers the total ICPs per feeder. The trace results are compared against the previous days trace and outputted into a report showing the difference between the two traces, categorized by feeder. The report is e-mailed to the GIS Manager each morning and reviewed. If there is a significant ICP difference the connectivity of the feeder is further investigated in GIS, and when remedied the trace is rerun manually.

In addition, a weekly trace is run to ensure number of ICPs in Club ICP database matches number of ICPs connected in GIS by the GIS Administrator. The report outputs total number of ICPs in Club ICP application and the total number of ICPs in GIS, the difference between the two databases categorised by feeders. The report also lists ICP numbers which are not placed in GIS. This report is reviewed and rectified by GIS Technician as appropriate.

For disclosure purposes the average of the Total ICP counts at 31 March year start and 31 March year end are used. The average ICP count for the assessment period is calculated as the sum of the ICP Count at the end of the previous assessment period (31 March) and the ICP count at the end of the current assessment period (31 March), divided by 2.

Network reliability performance statistics (SAIDI, SAIFI etc.) are derived from the ADMS Outage Reports. The outage Incidents are reviewed monthly for reasonableness by the Control Centre Manager. The reliability statistics form part of the General Manager Network's monthly report to the Board of Directors. The statistics are summarised and reported on a six-monthly basis as part of the Company's Financial Report and are compared against targets set out in the Company's Statement of Corporate Intent.

Appendix D – SAIDI and SAIFI major events

The tables below show the normalisation of the SAIDI and SAIFI major events that took place during the assessment period, consistent with Schedule 3.2 of the 2020 DPP Determination.

Table 21

Normalisation of unplanned SAIDI major events RY22		
SAIDI unplanned boundary value 27.92		
Half hour commencing	Raw SAIDI value for Class C interruption	Normalised SAIDI value for Class C interruption 1/48th
2/08/2021 21:00	0.219	0.219
2/08/2021 23:30	0.244	0.244
3/08/2021 4:00	0.07	0.07
3/08/2021 4:30	1.123	0.582
3/08/2021 8:00	0.362	0.362
3/08/2021 9:00	3.016	0.582
3/08/2021 9:30	13.596	0.582
3/08/2021 10:00	8.496	0.582
3/08/2021 10:30	1.486	0.582
3/08/2021 11:00	0.823	0.582
3/08/2021 12:00	1.46	0.582
3/08/2021 12:30	0.158	0.158
3/08/2021 13:30	0.029	0.029
3/08/2021 14:30	1.07	0.582
3/08/2021 16:00	0.008	0.008
11/02/2022 21:00	0.089	0.089
12/02/2022 10:30	0.022	0.022
12/02/2022 12:00	0.246	0.246
12/02/2022 15:00	0.021	0.021
12/02/2022 17:00	13.366	0.582
12/02/2022 18:30	0.617	0.582
12/02/2022 19:00	0.974	0.582
12/02/2022 19:30	32.716	0.582
12/02/2022 20:00	2.833	0.582
12/02/2022 20:30	7.373	0.582
12/02/2022 21:30	8.227	0.582
12/02/2022 22:30	4.586	0.582
12/02/2022 23:00	7.71	0.582
12/02/2022 23:30	45.96	0.582
13/02/2022 0:00	35.799	0.582
13/02/2022 0:30	46.869	0.582
13/02/2022 1:00	62.478	0.582
13/02/2022 1:30	31.357	0.582

13/02/2022 2:00	7.034	0.582
13/02/2022 2:30	14.797	0.582
13/02/2022 3:30	0.905	0.582
13/02/2022 4:00	19.353	0.582
13/02/2022 5:00	24.165	0.582
13/02/2022 6:00	9.449	0.582
13/02/2022 7:00	2.453	0.582
13/02/2022 8:00	0.879	0.582
13/02/2022 8:30	2.116	0.582
13/02/2022 9:00	0.852	0.582
13/02/2022 10:00	2.547	0.582
13/02/2022 18:30	2.743	0.582
Total	420.696	21.256

Table 22

Normalisation of unplanned SAIFI major events RY22		
SAIFI unplanned boundary value 0.2284		
Half hour commencing	Raw SAIFI value for Class C interruption	Normalised SAIFI value for Class C interruption 1/48th
12/02/2022 12:00	0.003	0.003
12/02/2022 17:00	0.011	0.005
12/02/2022 18:30	0.007	0.005
12/02/2022 19:00	0.044	0.005
12/02/2022 19:30	0.025	0.005
12/02/2022 20:00	0.009	0.005
12/02/2022 20:30	0.008	0.004
12/02/2022 21:30	0.009	0.004
12/02/2022 22:30	0.006	0.005
12/02/2022 23:00	0.007	0.005
12/02/2022 23:30	0.037	0.004
13/02/2022 0:00	0.044	0.005
13/02/2022 0:30	0.037	0.006
13/02/2022 1:00	0.092	0.006
13/02/2022 1:30	0.077	0.004
13/02/2022 2:00	0.019	0.004
13/02/2022 2:30	0.047	0.004
13/02/2022 3:30	0.002	0.002
13/02/2022 4:00	0.054	0.004
13/02/2022 5:00	0.06	0.006
13/02/2022 6:00	0.012	0.005
13/02/2022 7:00	0.003	0.003
13/02/2022 8:00	0.001	0.001
13/02/2022 8:30	0.007	0.005
13/02/2022 9:00	0.001	0.001
13/02/2022 10:00	0.007	0.005
13/02/2022 18:30	0.003	0.003
Total	0.632	0.114

Major Event Normalisation YE2022

Major event normalisation reduces the raw value to 1/48th of the boundary value:

Unplanned interruptions	Boundary value	Normalised Value
SAIDI	27.92	0.581666667
SAIFI	0.2284	0.004758333

Major Event 1

Severe Gales across the Northland region.

Weather: Monster waves towering higher than 6 metres to smash west of Northland as strong winds continue buffeting New Zealand

Newshub

03/08/2021

By Jamie Ensor

Monster waves towering higher than 6 metres are expected west of Northland on Tuesday afternoon as New Zealand continues to be buffeted by harsh winds.

Northern regions of the country, including Auckland, were hit hard by brutal gales overnight, tearing trees down, throwing debris across roads and prompting warnings for drivers.

Metservice currently has a strong wind watch in place for Northland, expected to last until 2pm on Tuesday afternoon.

"Gale southwesterlies over northern New Zealand are slowly easing today, with severe gales possible for Northland through until early afternoon. Gale southerlies are also affecting eastern areas from Canterbury to Gisborne, with possible severe gales in Wellington and the Kaikoura Coast."

NIWA principal scientist Chris Brandolino told The AM Show the strong southwest winds will persist across the upper North Island until roughly midday before easing in the afternoon.

"Watch out for debris [and expect] some damage along west coastal areas," he said.

NIWA has also released a graphic showing what it says is the "energy in the atmosphere (called vorticity)" moving west of Northland.

"This is forecast to move over the upper North Island late morning into very early afternoon, likely generating a period of higher wind gusts. Winds gradually ease after it passes east."

INCIDENT	START_DATE	END_DATE	INCIDENT DESCRIPTION	SAIDI	SAIFI	SAIDI NORM	SAIFI NORM
INCD-8539-F	2/08/2021 21:14	4/08/2021 13:10	T00288 faulty, SNELGAR ROAD	0.218	0.001	0.219	0.001
INCD-8545-F	2/08/2021 23:50	3/08/2021 0:48	S1003 Trip, RUNARUNA ROAD	0.274	0.009	0.244	0.008
INCD-8548-F	3/08/2021 4:12	3/08/2021 6:30	Tree on line, RAWENE ROAD	0.072	0.002	0.070	0.002
INCD-8560-F	3/08/2021 4:53	3/08/2021 8:10	S1003 Trip, RUNARUNA ROAD	1.259	0.009	0.582	0.008
INCD-8563-F	3/08/2021 8:05	3/08/2021 14:03	Suspension Failed, FAR NORTH RD, KAURI FLAT	0.360	0.003	0.362	0.003
INCD-8566-F	3/08/2021 9:25	3/08/2021 18:35	PAWARENGA ROAD, tree on line	3.380	0.016	0.582	0.014
INCD-8569-F	3/08/2021 9:40	4/08/2021 15:12	FAR NORTH ROAD, Multiple Faults	14.674	0.010	0.582	0.010
INCD-8575-F	3/08/2021 10:07	3/08/2021 16:00	FAR NORTH ROAD, 33kV binder	8.411	0.028	0.291	0.027
INCD-8578-F	3/08/2021 10:17	3/08/2021 10:50	KAITAIA AWAROA ROAD, R126 trip	0.216	0.007	0.291	0.006
INCD-8581-F	3/08/2021 10:34	3/08/2021 21:43	T03138 Structure, KOHUMARU ROAD	1.580	0.010	0.582	0.010
INCD-8587-F	3/08/2021 12:25	3/08/2021 17:04	Broken Insulator, SH12, OMANAIA	1.540	0.012	0.582	0.012

INCD-8590-F	3/08/2021 13:52	3/08/2021 13:55	MANGAKAHIA ROAD, Car Vs Stay wire	0.031	0.010	0.029	0.009
INCD-8593-F	3/08/2021 11:28	3/08/2021 18:05	Conductor down, WHANGAPE ROAD	0.921	0.002	0.582	0.002
INCD-8596-F	3/08/2021 14:49	3/08/2021 15:47	FAR NORTH ROAD, Branch on line	1.088	0.019	0.582	0.019
INCD-8599-F	3/08/2021 12:53	3/08/2021 16:00	WEKAWEKA ROAD, roof contacted line	0.163	0.001	0.158	0.001
INCD-8602-F	3/08/2021 16:16	3/08/2021 18:31	SANDHILLS ROAD, L305 blown	0.008	0.000	0.008	0.000

Major Event 2

Severe weather from Cyclone Dovi left a trail of damage across the North Island was classified as a medium-scale adverse event.

Some Northland homes still without power after Cyclone Dovi

Northern Advocate

15 Feb, 2022 05:00 AM

By Peter de Graaf, Reporter

Winds generated by last weekend's Cyclone Dovi were so fierce power lines supplying half of all Far North households were brought down by falling trees.

About 23,000 homes across Northland lost power on Saturday night, with 17,000 of those in the area covered by Far North lines company Top Energy.

As of 3pm on Monday all but 500 of those had been reconnected with most of those due to have power restored by the end of the day.

North Hokianga was the last major area where the power was still out yesterday afternoon.

Top Energy chief executive Russell Shaw said it could take a few days to restore power to the last 30 or 40 most isolated customers. In one case linemen would have to carry their gear and go in on foot. Shaw said it was the biggest outage in the 14 years he had been in the job.

He put that down to "incredible" wind strength which crews measured at 144km/h — more even than the official 120km/h clocked at Tapeka Pt.

By 11pm on Sunday all but 1200 had their power restored, Shaw said.

"It was just a mammoth effort, we had half our customers cut off. I could not be more proud of them. I know it's a huge inconvenience for people but these guys could not have done any more."

INCIDENT	START_DATE	END_DATE	INCIDENT DESCRIPTION	SAIDI	SAIFI	SAIDI NORM	SAIFI NORM
INCD-11203-F	12/02/2022 23:39	13/02/2022 15:20	Branch on line SW365M, KOHUKOHU	13.476	0.014	0.291	0.002
INCD-11212-F	12/02/2022 23:56	14/02/2022 13:18	Insulator off CHURCH ROAD	32.171	0.022	0.291	0.002
INCD-11215-F	13/02/2022 0:17	14/02/2022 16:16	Line down PARAPARA ROAD	35.554	0.044	0.582	0.005
INCD-11221-F	13/02/2022 0:38	14/02/2022 21:53	Broken binder FAR NORTH ROAD, TE KAO	20.939	0.010	0.194	0.002
INCD-11224-F	13/02/2022 0:39	14/02/2022 17:16	Tree on line FERN FLAT ROAD	7.955	0.008	0.194	0.002
INCD-11230-F	13/02/2022 0:45	13/02/2022 19:45	CB131142 Te Kao tripped during Cyclone	17.656	0.019	0.194	0.002
INCD-11251-F	13/02/2022 1:07	14/02/2022 17:33	Trees in Lines PAPANORE ROAD	1.337	0.001	0.194	0.002
INCD-11269-F	13/02/2022 1:23	13/02/2022 12:13	Tree on line MAHINEPUA ROAD	7.409	0.014	0.194	0.002
INCD-11278-F	13/02/2022 1:34	14/02/2022 12:38	Trees in Lines PIWAKAWAKA RISE, WAIKINO	18.815	0.058	0.291	0.002
INCD-11284-F	13/02/2022 1:59	13/02/2022 14:18	Trees on lines WIROA ROAD	12.328	0.017	0.291	0.002
INCD-11287-F	13/02/2022 2:11	13/02/2022 11:47	Tree on line SH12, OHAEAWAI	6.239	0.018	0.291	0.002
INCD-11290-F	13/02/2022 2:12	13/02/2022 14:07	Trees in lines Multiple sites, PUKETOTARA ROAD	0.747	0.001	0.291	0.002
INCD-11299-F	13/02/2022 2:32	13/02/2022 19:15	Line Down RAWENE ROAD	8.274	0.011	0.291	0.002
INCD-11302-F	13/02/2022 2:42	13/02/2022 6:07	CB0107 Tripped during Cyclone	6.422	0.036	0.291	0.002
INCD-11329-F	13/02/2022 4:13	13/02/2022 15:47	Branch on lines, RANGIHOA ROAD	1.772	0.003	0.145	0.001
INCD-11338-F	13/02/2022 4:20	13/02/2022 11:14	Broken jumper SH10 WAIKAWA	6.261	0.030	0.145	0.001
INCD-11347-F	13/02/2022 4:23	13/02/2022 20:06	Blown Jumpers RESERVOIR ROAD	4.055	0.006	0.145	0.001
INCD-11350-F	13/02/2022 4:13	13/02/2022 14:11	Tree broke lines RIVER DRIVE	7.134	0.015	0.145	0.001
INCD-11353-F	13/02/2022 3:44	13/02/2022 13:41	R385 RAWENE ROAD Tripped during Cyclone	0.899	0.002	0.582	0.002
INCD-11356-F	13/02/2022 5:00	14/02/2022 16:20	Lines Down and Tree Contacts, KAURI FLAT	12.280	0.014	0.194	0.002
INCD-11359-F	13/02/2022 5:15	16/02/2022 17:36	SWER line down WHANGAPE ROAD	7.483	0.033	0.194	0.002
INCD-11365-F	13/02/2022 5:27	13/02/2022 22:55	Waima, line down pole 433842	4.237	0.012	0.194	0.002
INCD-11368-F	13/02/2022 1:29	14/02/2022 13:01	KTA-TPA 33kV tripped	53.306	0.077	0.194	0.002
INCD-11371-F	13/02/2022 6:28	15/02/2022 15:55	Vegetation in Lines QUARRY ROAD	9.385	0.012	0.582	0.005
INCD-11377-F	13/02/2022 8:38	14/02/2022 12:29	Line down INKSTER ROAD	2.102	0.007	0.582	0.005
INCD-11380-F	13/02/2022 10:00	14/02/2022 15:06	Broken Pole WAIMAMAKU BEACH ROAD	2.529	0.007	0.582	0.005
INCD-11383-F	13/02/2022 8:28	14/02/2022 14:38	Line down, HERBERT ROAD	0.525	0.000	0.291	0.000

INCIDENT	START_DATE	END_DATE	INCIDENT DESCRIPTION	SAIDI	SAIFI	SAIDI NORM	SAIFI NORM
INCD-11386-F	13/02/2022 9:29	14/02/2022 12:30	Trees broke line, OPARA ROAD	0.846	0.001	0.582	0.001
INCD-11392-F	13/02/2022 7:14	13/02/2022 22:47	Branch on lines ONEKURA ROAD	2.436	0.003	0.582	0.003
INCD-11425-F	12/02/2022 20:44	15/02/2022 16:03	Line down, MANGATAIPA ROAD	1.240	0.000	0.291	0.002
INCD-11437-F	13/02/2022 18:31	16/02/2022 14:07	SWER Lines down bynd R_T01310 PAWARENGA ROAD	2.724	0.003	0.582	0.003
INCD-11464-F	13/02/2022 8:08	13/02/2022 17:39	Strain Insulator, RUAPEKAPEKA ROAD	0.348	0.001	0.291	0.001
INCD-730-J	12/02/2022 10:36	12/02/2022 11:51	Faulty Insulator, HERBERT ROAD	0.022	0.000	0.022	0.000
INCD-736-J	12/02/2022 15:05	12/02/2022 16:50	Tree on lines ACCESS ROAD	0.021	0.000	0.021	0.000

Appendix E – Director’s certificate

We, David Alexander Sullivan and Jon Edmond Nichols being directors of Top Energy Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached annual compliance statement of Top Energy Limited and related information, prepared for the purposes of the Electricity Distribution Services Default Price-Quality Path Determination 2020 has been prepared in accordance with all the relevant requirements



D A Sullivan



J E Nichols

30 August 2022

Appendix F – Assurance report

INDEPENDENT ASSURANCE REPORT

**TO THE DIRECTORS OF TOP ENERGY LIMITED
ON THE ANNUAL COMPLIANCE STATEMENT
FOR THE ASSESSMENT PERIOD ENDED 31 MARCH 2022
AS REQUIRED BY THE ELECTRICITY DISTRIBUTION SERVICES DEFAULT PRICE-QUALITY PATH DETERMINATION 2020**

The Auditor-General is the auditor of Top Energy Limited (the Company). The Auditor-General has appointed me, Brett Tomkins, using the staff and resources of Deloitte Limited, to undertake a reasonable assurance engagement, on his behalf, on whether the Annual Compliance Statement on pages 4 to 14 and 18 to 31 for the assessment period ended on 31 March 2022 has been prepared, in all material respects, in compliance with the Electricity Distribution Services Default Price-Quality Path Determination 2020 (the 'Determination').

Opinion

In our opinion, in all material respects:

- as far as appears from our examination, the information used in the preparation of the Annual Compliance Statement has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- the Company has complied with clauses 11.5 and 11.6 of the Determination in preparing the Annual Compliance Statement for the assessment period ended 31 March 2022.

Basis for opinion

We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3100 (Revised) *Assurance Engagements on Compliance*, issued by the New Zealand Auditing and Assurance Standards Board. An engagement conducted in accordance with SAE (NZ) 3100 (Revised) requires that we also comply with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*.

We have obtained sufficient recorded evidence and explanations that we required to provide a basis for our opinion.

Directors' responsibilities

The directors of the Company are responsible:

- For the preparation of the Annual Compliance Statement under clause 11.4 and in accordance with the requirements in clauses 11.5 and 11.6 of the Determination.
- For the identification of risks that may threaten compliance with the clauses identified above and controls which will mitigate those risks and monitor ongoing compliance.

Auditor's responsibilities

Our responsibilities in terms of clause 11.5(e) and schedule 8(1)(b)(vi) and 8(1)(c) of the Determination, are to express an opinion on whether:

- as far as appears from our examination, the information used in the preparation of the Annual Compliance Statement has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- the Annual Compliance Statement, for the assessment period ended 31 March 2022, has been prepared, in all material respects, in accordance with the requirements in clauses 11.5 and 11.6 of the Determination.

To meet these responsibilities, we planned and performed procedures in accordance with SAE 3100 (Revised), to obtain reasonable assurance about whether the Company has complied, in all material respects, with clauses 11.5 and 11.6 of the Determination.

In relation to the wash-up amount set out in clause 8.6 of the Determination, our procedures included recalculation of the wash-up amount in accordance with schedule 1.6 of the Determination and assessing it against the amounts and disclosures contained on pages 4 to 7 of the Annual Compliance Statement.

In relation to the quality standards in clause 9 of the Determination, our procedures included examination, on a test basis, of evidence relevant to the values and disclosures contained on pages 8 to 12 of the Annual Compliance Statement.

In relation to the quality incentive adjustment set out in Schedule 4 of the Determination, our procedures included recalculation of the quality incentive adjustment in accordance with Schedule 4 of the Determination and assessing it against the amounts and disclosures contained on pages 13 to 14 of the Annual Compliance Statement.

An assurance engagement to report on the Company's compliance with the Determination involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the requirements. The procedures selected depend on our judgement, including the identification and assessment of the risks of material non-compliance with the requirements.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error or non-compliance with clauses 11.5 and 11.6 of the Determination may occur and not be detected. A reasonable assurance engagement throughout the assessment period does not provide assurance on whether compliance with clauses 11.5 and 11.6 of the Determination will continue in the future.

Restricted use

This report has been prepared for use by the directors of the Company and the Commerce Commission in accordance with clause 11.5 (e) of the Determination and is provided solely for the purpose of establishing whether the compliance requirements have been met. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the Company and the Commerce Commission, or for any other purpose than that for which it was prepared.

Independence and quality control

We complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

The Auditor-General, and his employees, Deloitte Limited, and its partners and employees may deal with the Company on normal terms within the ordinary course of trading activities of the Company. Other than any dealings on normal terms within the ordinary course of trading activities of the Company, this engagement, the assurance engagement on the Information Disclosures and the annual audit of the Company's financial statements, we have no relationship with or interests in the Company.

We are independent of Top Energy in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: International Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board. Other than the audit, we have no relationship with, or interests in, Top Energy Limited.



Brett Tomkins
Deloitte Limited
On behalf of the Auditor-General
Auckland, New Zealand
30 August 2022

Appendix G – Compliance statement reference

The following tables reference the Determination requirements and provide guidance on the section of this Statement that meets the specified requirements.

Table D1: Wash-up amount calculation

Determination Clause	Determination requirement	Compliance Statement section
8.6	Top Energy must calculate the wash-up amount for each assessment period using the methodology specified in Schedule 1.6	2

Table D2: Quality Path summary

Determination Clause	Determination requirement	Compliance Statement section
9.1	Top Energy must comply with the planned interruptions reliability assessment cap specified in clause 9.2 for the DPP regulatory period	3
9.7	Top Energy must comply with the annual unplanned interruptions reliability assessment specified in clause 9.8 for that assessment period	3

Table D3: Annual compliance statement

Determination Clause	Determination requirement	Compliance Statement section
An annual Compliance Statement must be provided to the Commission consisting of:		
11.5(a)(i)	A statement regarding compliance with the requirement to calculate the washup amount for the assessment period	1
11.5(a)(ii)	A statement regarding compliance with the requirement to calculate the washup amount for the assessment period	1
11.5(b)	The day on which the statement was published	2
11.5(c)	A statement whether Top Energy has entered into any agreement with another EDB or Transpower for an amalgamation, merger, major transaction or non-reopener transaction in the assessment period	1, 5
11.5(d)	A certificate in the form set out in Schedule 7 signed by at least one Director of Top Energy	6
11.5(e)	An assurance report meeting the requirements in Schedule 8, in respect of all information contained in the 'annual compliance statement	7
11.6(a)	Details of the wash-up amount calculation, together with supporting information for all components of the calculation	3
11.6(b)	Any reasons for non-compliance with the annual planned interruptions reliability assessment	N/a
11.6(d)	Any reasons for non-compliance with the annual unplanned interruptions reliability assessment	N/a
11.6(d)	Actions taken to mitigate any non-compliance and to prevent similar noncompliance in future assessment periods	N/a
11.6(e)	For the annual planned interruptions reliability assessment, the SAIDI assessed value, SAIFI assessed value, SAIDI limit and SAIFI limit for the assessment period, and any supporting calculations (including those in Schedule 3.1) and where applicable, the annual planned interruptions reliability assessments for the two previous assessment periods	4
11.6(f)	For the annual unplanned interruptions reliability assessment, the SAIDI assessed value, SAIFI assessed value, SAIDI limit, SAIFI limit, SAIDI unplanned boundary value, SAIFI unplanned boundary value, SAIDI cap, SAIFI cap, SAIDI collar, SAIFI collar, SAIDI target and SAIFI target for the assessment period, and any 3.2 and Attachment BCPP annual compliance statement 2020 Page 34 of 34 supporting calculations (including those in Schedule 3.2) and where applicable, the annual unplanned interruptions reliability assessments for the two previous assessment periods	4
11.6(g)	A description of the policies and procedures which Top Energy has used for capturing and recording Class B interruptions and Class C interruptions, and for calculating SAIDI assessed values and SAIFI assessed values for the assessment period	Appendix C
11.6(h)	The cause of each major event day within the assessment period	4