



**Information Disclosure prepared  
Under Part 4 of the Commerce Act 1986**

**For the Assessment Period:  
1 April 2019 to 31 March 2020**



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

<b>Company Name</b>	<input type="text" value="Top Energy Ltd"/>
<b>Disclosure Date</b>	<input type="text" value="31 August 2020"/>
<b>Disclosure Year (year ended)</b>	<input type="text" value="31 March 2020"/>

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

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## 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 **Top Energy Ltd**For Year Ended **31 March 2020****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

<b>1(i): Expenditure metrics</b>		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)
7						
8						
9	<b>Operational expenditure</b>	58,021	587	269,317	4,706	68,492
10	Network	19,200	194	89,122	1,557	22,665
11	Non-network	38,821	393	180,195	3,149	45,827
12						
13	<b>Expenditure on assets</b>	115,101	1,165	534,268	9,336	135,874
14	Network	105,609	1,069	490,210	8,566	124,670
15	Non-network	9,492	96	44,058	770	11,205
16						
17	<b>1(ii): Revenue metrics</b>					
18						
19	<b>Total consumer line charge revenue</b>	168,446	1,705			
20	Standard consumer line charge revenue	189,824	1,646			
21	Non-standard consumer line charge revenue	47,115	9,456			
22						
23	<b>1(iii): Service intensity measures</b>					
24						
25	Demand density	17				Maximum coincident system demand per km of circuit length (for supply) (kW/km)
26	Volume density	81				Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
27	Connection point density	8				Average number of ICPs per km of circuit length (for supply) (ICPs/km)
28	Energy intensity	10,123				Total energy delivered to ICPs per average number of ICPs (kWh/ICP)
29						
30	<b>1(iv): Composition of regulatory income</b>					
31						
32	Operational expenditure			19,109	33.97%	
33	Pass-through and recoverable costs excluding financial incentives and wash-ups			8,269	14.70%	
34	Total depreciation			9,683	17.21%	
35	Total revaluations			6,589	11.71%	
36	Regulatory tax allowance			5,689	10.11%	
37	Regulatory profit/(loss) including financial incentives and wash-ups			20,090	35.71%	
38	<b>Total regulatory income</b>			56,250		
39						
40	<b>1(v): Reliability</b>					
41						
42	Interruption rate			16.33		Interruptions per 100 circuit km

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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
		31 Mar 18	31 Mar 19	31 Mar 20
		%	%	%
7	<b>2(i): Return on Investment</b>			
8				
9	<b>ROI – comparable to a post tax WACC</b>			
10	Reflecting all revenue earned	6.78%	6.35%	7.52%
11	Excluding revenue earned from financial incentives	6.81%	6.29%	7.52%
12	Excluding revenue earned from financial incentives and wash-ups	6.04%	5.51%	6.72%
13				
14	<b>Mid-point estimate of post tax WACC</b>	5.04%	4.75%	4.27%
15	25th percentile estimate	4.36%	4.07%	3.59%
16	75th percentile estimate	5.72%	5.43%	4.95%
17				
18				
19	<b>ROI – comparable to a vanilla WACC</b>			
20	Reflecting all revenue earned	7.37%	6.86%	7.94%
21	Excluding revenue earned from financial incentives	7.40%	6.80%	7.94%
22	Excluding revenue earned from financial incentives and wash-ups	6.63%	6.02%	7.14%
23				
24	<b>WACC rate used to set regulatory price path</b>	7.19%	7.19%	7.19%
25				
26	<b>Mid-point estimate of vanilla WACC</b>	5.60%	5.26%	4.69%
27	25th percentile estimate	4.92%	4.58%	4.01%
28	75th percentile estimate	6.29%	5.94%	5.37%
29				
30	<b>2(ii): Information Supporting the ROI</b>			
31				
32	Total opening RAB value	261,426		
33	plus Opening deferred tax	(12,223)		
34	<b>Opening RIV</b>		249,203	
35				
36	<b>Line charge revenue</b>		55,478	
37				
38	Expenses cash outflow	27,378		
39	add Assets commissioned	22,856		
40	less Asset disposals	990		
41	add Tax payments	4,194		
42	less Other regulated income	772		
43	<b>Mid-year net cash outflows</b>		52,666	
44				
45	<b>Term credit spread differential allowance</b>		–	
46				
47	Total closing RAB value	280,006		
48	less Adjustment resulting from asset allocation	(193)		
49	less Lost and found assets adjustment	–		
50	plus Closing deferred tax	(13,719)		
51	<b>Closing RIV</b>		266,480	
52				
53	<b>ROI – comparable to a vanilla WACC</b>			7.94%
54				
55	Leverage (%)			42%
56	Cost of debt assumption (%)			3.61%
57	Corporate tax rate (%)			28%
58				
59	<b>ROI – comparable to a post tax WACC</b>			7.52%
60				

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**SCHEDULE 2: REPORT ON RETURN ON INVESTMENT**

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

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

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sch ref

**2(iii): Information Supporting the Monthly ROI**

Opening RIV 249,203

	Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
April	4835	2353	1460	0	10	3,803
May	5094	2280	33	0	24	2,289
June	5129	2177	158	0	88	2,247
July	5615	2249	2067	0	42	4,274
August	5537	2473	6815	0	66	9,222
September	5318	2297	1029	0	94	3,233
October	5109	2625	458	990	50	2,043
November	-698	2253	709	0	40	2,922
December	5063	2045	345	0	140	2,250
January	5055	2165	301	0	46	2,420
February	4563	2291	2174	0	55	4,411
March	4859	2170	7305	0	118	9,358
<b>Total</b>	<b>55,478</b>	<b>27,378</b>	<b>22,855.730</b>	<b>990</b>	<b>772</b>	<b>48,472</b>

Tax payments 4,194

Term credit spread differential allowance -

Closing RIV 266,480

Monthly ROI – comparable to a vanilla WACC 8.04%

Monthly ROI – comparable to a post tax WACC 7.61%

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

Year-end ROI – comparable to a vanilla WACC 6.66%

Year-end ROI – comparable to a post tax WACC 6.24%

*\* 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	2
Other financial incentives	-
<b>Financial incentives</b>	<b>2</b>

Impact of financial incentives on ROI 0.00%

Input methodology claw-back	1,968
CPP application recoverable costs	-
Catastrophic event allowance	-
Capex wash-up adjustment	26
Transmission asset wash-up adjustment	-
2013–15 NPV wash-up allowance	733
Reconsideration event allowance	-
Other wash-ups	-

Wash-up costs 2,727

Impact of wash-up costs on ROI 0.80%

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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

7	<b>3(i): Regulatory Profit</b>	(\$000)
8	<b>Income</b>	
9	Line charge revenue	55,478
10	plus Gains / (losses) on asset disposals	(17)
11	plus Other regulated income (other than gains / (losses) on asset disposals)	788
12		
13	<b>Total regulatory income</b>	<b>56,250</b>
14	<b>Expenses</b>	
15	less Operational expenditure	19,109
16		
17	less Pass-through and recoverable costs excluding financial incentives and wash-ups	8,269
18		
19	<b>Operating surplus / (deficit)</b>	<b>28,872</b>
20		
21	less Total depreciation	9,683
22		
23	plus Total revaluations	6,589
24		
25	<b>Regulatory profit / (loss) before tax</b>	<b>25,778</b>
26		
27	less Term credit spread differential allowance	-
28		
29	less Regulatory tax allowance	5,689
30		
31	<b>Regulatory profit/(loss) including financial incentives and wash-ups</b>	<b>20,090</b>
32		
33	<b>3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups</b>	(\$000)
34	<b>Pass through costs</b>	
35	Rates	51
36	Commerce Act levies	124
37	Industry levies	98
38	CPP specified pass through costs	-
39	<b>Recoverable costs excluding financial incentives and wash-ups</b>	
40	Electricity lines service charge payable to Transpower	5,242
41	Transpower new investment contract charges	-
42	System operator services	2,753
43	Distributed generation allowance	-
44	Extended reserves allowance	-
45	Other recoverable costs excluding financial incentives and wash-ups	-
46	<b>Pass-through and recoverable costs excluding financial incentives and wash-ups</b>	<b>8,269</b>
47		

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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)	
		CY-1	CY
		31 Mar 19	31 Mar 20
48	<b>3(iii): Incremental Rolling Incentive Scheme</b>		
49			
50			
51	Allowed controllable opex	-	-
52	Actual controllable opex	-	-
53			
54	Incremental change in year		-
55			
56		Previous years' incremental change	Previous years' incremental change adjusted for inflation
57	CY-5       #####	-	-
58	CY-4       #####	-	-
59	CY-3       #####	-	-
60	CY-2       #####	-	-
61	CY-1       #####	-	-
62	<b>Net incremental rolling incentive scheme</b>		-
63			
64	<b>Net recoverable costs allowed under incremental rolling incentive scheme</b>		-
65	<b>3(iv): Merger and Acquisition Expenditure</b>		
70			(\$000)
66	Merger and acquisition expenditure		-
67			
68	<i>Provide commentary on the benefits of merger and acquisition expenditure to the electricity distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)</i>		
69	<b>3(v): Other Disclosures</b>		
70			(\$000)
71	Self-insurance allowance		-

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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	RAB	RAB	RAB	RAB
			31 Mar 16	31 Mar 17	31 Mar 18	31 Mar 19	31 Mar 20
			(\$000)	(\$000)	(\$000)	(\$000)	(\$000)
7	<b>Total opening RAB value</b>		216,722	224,551	237,830	251,488	261,426
12	less Total depreciation		8,425	8,307	8,681	9,155	9,683
14	plus Total revaluations		1,268	4,864	2,616	3,731	6,589
16	plus Assets commissioned		15,017	16,730	19,745	15,378	22,856
18	less Asset disposals		31	7	22	16	990
20	plus Lost and found assets adjustment		-	-	-	-	-
22	plus Adjustment resulting from asset allocation		(0)	0	(0)	(0)	(193)
24	<b>Total closing RAB value</b>		224,551	237,830	251,488	261,426	280,006

sch ref	4(ii): Unallocated Regulatory Asset Base	Unallocated RAB *		RAB	
		(\$000)	(\$000)	(\$000)	(\$000)
29	<b>Total opening RAB value</b>		261,426		261,426
31	less Total depreciation		9,723		9,683
33	plus Total revaluations		6,594		6,589
35	plus Assets commissioned (other than below)	22,898		22,856	
36	Assets acquired from a regulated supplier	-		-	
37	Assets acquired from a related party	-		-	
38	<b>Assets commissioned</b>		22,898		22,856
40	less Asset disposals (other than below)	990		990	
41	Asset disposals to a regulated supplier	-		-	
42	Asset disposals to a related party	-		-	
43	<b>Asset disposals</b>		990		990
45	plus Lost and found assets adjustment		-		-
47	plus Adjustment resulting from asset allocation				(193)
49	<b>Total closing RAB value</b>		280,205		280,006

\* 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 **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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

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

CPI <sub>4</sub>	1,052
CPI <sub>4</sub> <sup>-4</sup>	1,026
Revaluation rate (%)	2.53%

	Unallocated RAB *		RAB	
	(\$000)	(\$000)	(\$000)	(\$000)
Total opening RAB value	261,426		261,426	
less Opening value of fully depreciated, disposed and lost assets	1,223		1,416	
Total opening RAB value subject to revaluation	260,203		260,010	
<b>Total revaluations</b>		6,594		6,589

**4(iv): Roll Forward of Works Under Construction**

	Unallocated works under construction		Allocated works under construction	
Works under construction—preceding disclosure year		7,081		7,081
plus Capital expenditure	36,529		36,529	
less Assets commissioned	22,898		22,856	
plus Adjustment resulting from asset allocation			(43)	
<b>Works under construction - current disclosure year</b>		20,711		20,711
Highest rate of capitalised finance applied				6.28%

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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

76 **4(v): Regulatory Depreciation**

	Unallocated RAB *		RAB	
	(\$000)	(\$000)	(\$000)	(\$000)
79 Depreciation - standard	9,723		9,683	
80 Depreciation - no standard life assets	-		-	
81 Depreciation - modified life assets	-		-	
82 Depreciation - alternative depreciation in accordance with CPP	-		-	
83 <b>Total depreciation</b>		9,723		9,683

85 **4(vi): Disclosure of Changes to Depreciation Profiles**

(\$000 unless otherwise specified)

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

\* include additional rows if needed

96 **4(vii): Disclosure by Asset Category**

(\$000 unless otherwise specified)

	Subtransmission lines	Subtransmission cables	Distribution and Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total
99 <b>Total opening RAB value</b>	66,199	9,608	37,375	52,070	38,557	29,372	17,865	6,012	4,370	261,426
100 less Total depreciation	1,262	178	1,401	2,083	1,398	1,344	1,023	572	423	9,683
101 plus Total revaluations	1,677	243	946	1,320	974	744	453	152	79	6,589
102 plus Assets commissioned	3,777	3	32	3,399	531	1,229	9,677	202	4,005	22,855.73
103 less Asset disposals	-	-	-	-	-	-	-	7	982	990
104 plus Lost and found assets adjustment	-	-	-	-	-	-	-	-	-	-
105 plus Adjustment resulting from asset allocation	-	-	-	-	-	-	-	-	(193)	(193)
106 plus Asset category transfers	-	-	-	-	-	-	-	-	-	-
107 <b>Total closing RAB value</b>	70,392	9,676	36,952	54,706	38,663	30,002	26,971	5,787	6,856	280,006
108 <b>Asset Life</b>										
110 Weighted average remaining asset life	45.5	54.0	25.8	25.0	27.5	21.9	17.5	10.5	4.4	(years)
111 Weighted average expected total asset life	51	60	35	53	46	45	38	19	5	(years)

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE**

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 10.

sch ref

		(\$000)	
7	<b>5a(i): Regulatory Tax Allowance</b>		
8	<b>Regulatory profit / (loss) before tax</b>		25,778
9			
10	<i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable	-	*
11	Expenditure or loss in regulatory profit / (loss) before tax but not deductible	4	*
12	Amortisation of initial differences in asset values	3,399	
13	Amortisation of revaluations	1,437	
14			4,840
15			
16	<i>less</i> Total revaluations	6,589	
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	3,712	
21			10,301
22			
23	<b>Regulatory taxable income</b>		20,317
24			
25	<i>less</i> Utilised tax losses	-	
26	<b>Regulatory net taxable income</b>		20,317
27			
28	Corporate tax rate (%)	28.00%	
29	<b>Regulatory tax allowance</b>		5,689

\* Workings to be provided in Schedule 14

**5a(ii): Disclosure of Permanent Differences**

In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).

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

(\$000)

36	Opening unamortised initial differences in asset values	57,785	
37	<i>less</i> Amortisation of initial differences in asset values	3,399	
38	<i>plus</i> Adjustment for unamortised initial differences in assets acquired	-	
39	<i>less</i> Adjustment for unamortised initial differences in assets disposed	-	
40	Closing unamortised initial differences in asset values		54,386
41			
42	Opening weighted average remaining useful life of relevant assets (years)		17
43			

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE**

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 10.

sch ref

44	<b>5a(iv): Amortisation of Revaluations</b>			<b>(\$000)</b>
45				
46	Opening sum of RAB values without revaluations		231,605	
47				
48	Adjusted depreciation		8,246	
49	Total depreciation		9,683	
50	Amortisation of revaluations			1,437
51				
52	<b>5a(v): Reconciliation of Tax Losses</b>			<b>(\$000)</b>
53				
54	<b>Opening tax losses</b>		-	
55	plus Current period tax losses		-	
56	less Utilised tax losses		-	
57	<b>Closing tax losses</b>			-
58	<b>5a(vi): Calculation of Deferred Tax Balance</b>			<b>(\$000)</b>
59				
60	<b>Opening deferred tax</b>		(12,223)	
61				
62	plus Tax effect of adjusted depreciation		2,309	
63				
64	less Tax effect of tax depreciation		3,127	
65				
66	plus Tax effect of other temporary differences*		(16)	
67				
68	less Tax effect of amortisation of initial differences in asset values		952	
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		(277)	
73				
74	plus Deferred tax cost allocation adjustment		14	
75				
76	<b>Closing deferred tax</b>			(13,719)
77				
78	<b>5a(vii): Disclosure of Temporary Differences</b>			
79	<i>In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).</i>			
80				
81	<b>5a(viii): Regulatory Tax Asset Base Roll-Forward</b>			
82				<b>(\$000)</b>
83	<b>Opening sum of regulatory tax asset values</b>		139,665	
84	less Tax depreciation		11,168	
85	plus Regulatory tax asset value of assets commissioned		21,099	
86	less Regulatory tax asset value of asset disposals		1	
87	plus Lost and found assets adjustment		-	
88	plus Adjustment resulting from asset allocation		(144)	
89	plus Other adjustments to the RAB tax value		-	
90	<b>Closing sum of regulatory tax asset values</b>			149,451

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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

	(\$000)	(\$000)
<b>5b(i): Summary—Related Party Transactions</b>		
<b>Total regulatory income</b>		-
<b>Market value of asset disposals</b>		
Service interruptions and emergencies	-	
Vegetation management	-	
Routine and corrective maintenance and inspection	-	
Asset replacement and renewal (opex)	-	
<b>Network opex</b>		-
Business support	740	
System operations and network support	350	
<b>Operational expenditure</b>		1,090
Consumer connection	-	
System growth	-	
Asset replacement and renewal (capex)	-	
Asset relocations	-	
Quality of supply	-	
Legislative and regulatory	-	
Other reliability, safety and environment	-	
<b>Expenditure on non-network assets</b>		-
<b>Expenditure on assets</b>		-
Cost of financing		-
Value of capital contributions		-
Value of vested assets		-
<b>Capital Expenditure</b>		-
<b>Total expenditure</b>		1,090
<b>Other related party transactions</b>		-

**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)
Top Energy Ltd	Business support	740
Ngawha Generation Ltd (100% owned subsidia	System operations and network support	350
		-
		-
		-
		-
		-
		-
<b>Total value of related party transactions</b>		1,090

\* include additional rows if needed

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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

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**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
NIL	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
<i>* include additional rows if needed</i>						-	-	-

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

<b>Gross term credit spread differential</b>								
Total book value of interest bearing debt					0			
Leverage				42%				
Average opening and closing RAB values					\$270,716			
<b>Attribution Rate (%)</b>								
<b>Term credit spread differential allowance</b>								

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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

		Value allocated (\$000s)				
		Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase (\$000s)
7	<b>5d(i): Operating Cost Allocations</b>					
8						
9						
10	<b>Service interruptions and emergencies</b>					
11	Directly attributable		1,706			
12	Not directly attributable	-	-	-	-	-
13	<b>Total attributable to regulated service</b>		1,706			
14	<b>Vegetation management</b>					
15	Directly attributable		1,900			
16	Not directly attributable	-	-	-	-	-
17	<b>Total attributable to regulated service</b>		1,900			
18	<b>Routine and corrective maintenance and inspection</b>					
19	Directly attributable		1,754			
20	Not directly attributable	-	-	-	-	-
21	<b>Total attributable to regulated service</b>		1,754			
22	<b>Asset replacement and renewal</b>					
23	Directly attributable		965			
24	Not directly attributable	-	-	-	-	-
25	<b>Total attributable to regulated service</b>		965			
26	<b>System operations and network support</b>					
27	Directly attributable		6,442			
28	Not directly attributable	-	-	-	-	-
29	<b>Total attributable to regulated service</b>		6,442			
30	<b>Business support</b>					
31	Directly attributable		848			
32	Not directly attributable	-	5,495	1,270	6,765	-
33	<b>Total attributable to regulated service</b>		6,344			
34						
35	<b>Operating costs directly attributable</b>		13,614			
36	<b>Operating costs not directly attributable</b>	-	5,495	1,270	6,765	-
37	<b>Operational expenditure</b>		19,109			
38						

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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

**39 5d(ii): Other Cost Allocations**

40	Pass through and recoverable costs	(\$000)
41	<b>Pass through costs</b>	
42	Directly attributable	273
43	Not directly attributable	-
44	<b>Total attributable to regulated service</b>	273
45	<b>Recoverable costs</b>	
46	Directly attributable	7,995
47	Not directly attributable	-
48	<b>Total attributable to regulated service</b>	7,995

**50 5d(iii): Changes in Cost Allocations\* †**

51			(\$000)	
52	Change in cost allocation 1		CY-1	Current Year (CY)
53	Cost category	Business Support	Original allocation	- 1,570
54	Original allocator or line items	Asset Book Value	New allocation	- 2,519
55	New allocator or line items	Corporate Resource Time	Difference	- (949)
56				
57	Rationale for change	Move from a Proxy to Causal allocator		

60			(\$000)	
61	Change in cost allocation 2		CY-1	Current Year (CY)
62	Cost category	Nil	Original allocation	- -
63	Original allocator or line items	-	New allocation	- -
64	New allocator or line items	-	Difference	- -
65				
66	Rationale for change	0		

69			(\$000)	
70	Change in cost allocation 3		CY-1	Current Year (CY)
71	Cost category	Nil	Original allocation	- -
72	Original allocator or line items	-	New allocation	- -
73	New allocator or line items	-	Difference	- -
74				
75	Rationale for change	0		

\* 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 **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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		70,392
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>70,392</b>
Subtransmission cables		
Directly attributable		9,676
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>9,676</b>
Zone substations		
Directly attributable		36,952
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>36,952</b>
Distribution and LV lines		
Directly attributable		54,706
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>54,706</b>
Distribution and LV cables		
Directly attributable		38,663
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>38,663</b>
Distribution substations and transformers		
Directly attributable		30,002
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>30,002</b>
Distribution switchgear		
Directly attributable		26,971
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>26,971</b>
Other network assets		
Directly attributable		5,787
Not directly attributable		-
<b>Total attributable to regulated service</b>		<b>5,787</b>
Non-network assets		
Directly attributable		-
Not directly attributable		6,856
<b>Total attributable to regulated service</b>		<b>6,856</b>
<b>Regulated service asset value directly attributable</b>		<b>273,150</b>
<b>Regulated service asset value not directly attributable</b>		<b>6,856</b>
<b>Total closing RAB value</b>		<b>280,006</b>

5e(ii): Changes in Asset Allocations* †		(\$000)	
		CY-1	Current Year (CY)
<b>Change in asset value allocation 1</b>			
Asset category	Non Network Assets	Original allocation	7,049
Original allocator or line items	ACAM	New allocation	6,856
New allocator or line items	ABBA	Difference	193
Rationale for change	Adoption of the ABAA Allocation methodology in place of the ACAM allocation methodology		
<b>Change in asset value allocation 2</b>			
Asset category	-	Original allocation	-
Original allocator or line items	-	New allocation	-
New allocator or line items	-	Difference	-
Rationale for change	0		
<b>Change in asset value allocation 3</b>			
Asset category	-	Original allocation	-
Original allocator or line items	-	New allocation	-
New allocator or line items	-	Difference	-
Rationale for change	0		

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

† include additional rows if needed

Company Name **Top Energy LTD**  
 For Year Ended **31/03/2020**

**SCHEDULE 5f: REPORT SUPPORTING COST ALLOCATIONS**

This schedule requires additional detail on the asset allocation methodology applied in allocating asset values that are not directly attributable, to support the information provided in Schedule 5d (Cost allocations). This schedule is not required to be publicly disclosed, but must be disclosed to the Commission. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref	Line Item*	Allocation methodology type	Cost allocator	Allocator type	Allocator Metric (%)		Value allocated (\$000)			OVABAA allocation increase (\$000)
					Electricity distribution services	Non-electricity distribution services	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	
7										
8										
9										
10										
11	<b>Service interruptions and emergencies</b>									
12	No Allocation									-
13										-
14										-
15										-
16	<b>Not directly attributable</b>									
16										-
17	<b>Vegetation management</b>									
18	No Allocation									-
19										-
20										-
21										-
22	<b>Not directly attributable</b>									
22										-
23	<b>Routine and corrective maintenance and inspection</b>									
24	No Allocation									-
25										-
26										-
27										-
28	<b>Not directly attributable</b>									
28										-
29	<b>Asset replacement and renewal</b>									
30	No Allocation									-
31										-
32										-
33										-
34	<b>Not directly attributable</b>									
34										-
35										-

Company Name **Top Energy LTD**  
 For Year Ended **31/03/2020**

**SCHEDULE 5f: REPORT SUPPORTING COST ALLOCATIONS**

This schedule requires additional detail on the asset allocation methodology applied in allocating asset values that are not directly attributable, to support the information provided in Schedule 5d (Cost allocations). This schedule is not required to be publicly disclosed, but must be disclosed to the Commission. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

36	<b>System operations and network support</b>										
37	No Allocation										-
38											-
39											-
40											-
41	<b>Not directly attributable</b>										-
42	<b>Business support</b>										
43	Corporate property expenses	ABAA	Total Corporate resource time	Causal	81.99%	18.01%		(152)	36	(116)	
	Corporate computer, telephone & PR	ABAA	Total Corporate resource time	Causal	81.99%	18.01%		866	115	981	
	Executive, directors and support	ABAA	Director time spent	Causal	75.00%	25.00%		1,293	431	1,725	
	Audit, insurance, admin and consultancy	ABAA	Total Corporate resource time	Causal	81.99%	18.01%		1,000	137	1,137	
	Corporate training, recruitment and welfare	ABAA	Total Corporate resource time	Causal	81.99%	18.01%		392	82	474	
44	Salaries executive and support	ABAA	Total Corporate resource time	Causal	81.99%	18.01%		413	0	413	
45	Corporate salaries for property, procurement & finance	ABAA	Time spent	Causal	81.42%	18.58%		1,262	288	1,550	
46	Salaries HR corporate	ABAA	Time spent	Causal	70.00%	30.00%		421	180	601	
47	<b>Not directly attributable</b>										-
48	<b>Operating costs not directly attributable</b>										-
49											5,495
50											1,270
51											6,765
52	<b>Pass through and recoverable costs</b>										
53	<b>Pass through costs</b>										
54	No Allocation										-
55											-
56											-
57	<b>Not directly attributable</b>										-
58	<b>Recoverable costs</b>										
59	No Allocation										-
60											-
61											-
62											-
63	<b>Not directly attributable</b>										-
64	<i>* include additional rows if needed</i>										

Company Name **Top Energy**  
 For Year Ended **31 March 2020**

**SCHEDULE 5g: REPORT SUPPORTING ASSET ALLOCATIONS**

This schedule requires additional detail on the asset allocation methodology applied in allocating asset values that are not directly attributable, to support the information provided in Schedule 5e (Report on Asset Allocations). This schedule is not required to be publicly disclosed, but must be disclosed to the Commission.

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

7 8 9	Line Item*	Allocation methodology type	Allocator	Allocator type	Allocator Metric (%)		Value allocated (\$000)			OVABAA allocation increase (\$000)		
					Electricity distribution services	Non-electricity distribution services	Arm's length deduction	Electricity distribution services	Non-electricity distribution services		Total	
11	<b>Subtransmission lines</b>											
12	Nil										-	
13											-	
14											-	
15											-	
16	<b>Not directly attributable</b>							-	-	-	-	-
17	<b>Subtransmission cables</b>											
18	Nil										-	
19											-	
20											-	
21											-	
22	<b>Not directly attributable</b>							-	-	-	-	-
23	<b>Zone substations</b>											
24	Nil										-	
25											-	
26											-	
27											-	
28	<b>Not directly attributable</b>							-	-	-	-	-
29	<b>Distribution and LV lines</b>											
30	Nil										-	
31											-	
32											-	
33											-	
34	<b>Not directly attributable</b>							-	-	-	-	-



Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

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

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

sch ref

		(\$000)	(\$000)
7	<b>6a(i): Expenditure on Assets</b>		
8	Consumer connection		2,548
9	System growth		16,347
10	Asset replacement and renewal		5,698
11	Asset relocations		-
12	Reliability, safety and environment:		
13	Quality of supply	-	
14	Legislative and regulatory	-	
15	Other reliability, safety and environment	10,190	
16	<b>Total reliability, safety and environment</b>		10,190
17	<b>Expenditure on network assets</b>		34,783
18	Expenditure on non-network assets		3,126
19			
20	<b>Expenditure on assets</b>		37,909
21	plus Cost of financing		712
22	less Value of capital contributions		2,092
23	plus Value of vested assets		-
24			
25	<b>Capital expenditure</b>		36,529
26	<b>6a(ii): Subcomponents of Expenditure on Assets (where known)</b>		(\$000)
27	Energy efficiency and demand side management, reduction of energy losses		-
28	Overhead to underground conversion		-
29	Research and development		-
30	<b>6a(iii): Consumer Connection</b>		
31	<i>Consumer types defined by EDB*</i>	(\$000)	(\$000)
32	Commercial and Industrial	504	
33	Mass Market	1,999	
34	Quality of supply	45	
35		-	
36		-	
37	<i>* include additional rows if needed</i>		
38	<b>Consumer connection expenditure</b>		2,548
39			
40	less Capital contributions funding consumer connection expenditure	2,092	
41	<b>Consumer connection less capital contributions</b>		456
42	<b>6a(iv): System Growth and Asset Replacement and Renewal</b>		
43			
44			
45	Subtransmission	14,632	1,143
46	Zone substations	1,485	1
47	Distribution and LV lines	164	3,606
48	Distribution and LV cables	34	162
49	Distribution substations and transformers	-	60
50	Distribution switchgear	-	727
51	Other network assets	31	0
52	<b>System growth and asset replacement and renewal expenditure</b>	16,347	5,698
53	less Capital contributions funding system growth and asset replacement and renewal	-	-
54	<b>System growth and asset replacement and renewal less capital contributions</b>	16,347	5,698
55			
56	<b>6a(v): Asset Relocations</b>		
57	<i>Project or programme*</i>	(\$000)	(\$000)
58	Nil	-	
59		-	
60		-	
61		-	
62		-	
63	<i>* include additional rows if needed</i>		
64	All other projects or programmes - asset relocations	-	
65	<b>Asset relocations expenditure</b>		-
66	less Capital contributions funding asset relocations	-	
67	<b>Asset relocations less capital contributions</b>		-

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

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

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

sch ref

68				
69	<b>6a(vi): Quality of Supply</b>			
70	<i>Project or programme*</i>		(\$000)	(\$000)
71	Nil		-	
72			-	
73			-	
74			-	
75			-	
76	<i>* include additional rows if needed</i>			
77	All other projects programmes - quality of supply		-	
78	<b>Quality of supply expenditure</b>			-
79	less Capital contributions funding quality of supply		-	
80	<b>Quality of supply less capital contributions</b>			-
81	<b>6a(vii): Legislative and Regulatory</b>			
82	<i>Project or programme*</i>		(\$000)	(\$000)
83	Nil		-	
84			-	
85			-	
86			-	
87			-	
88	<i>* include additional rows if needed</i>			
89	All other projects or programmes - legislative and regulatory		-	
90	<b>Legislative and regulatory expenditure</b>			-
91	less Capital contributions funding legislative and regulatory		-	
92	<b>Legislative and regulatory less capital contributions</b>			-
93	<b>6a(viii): Other Reliability, Safety and Environment</b>			
94	<i>Project or programme*</i>		(\$000)	(\$000)
95	Kaitaia Generation		9,125	
96	WRR-KTA 110kV Stage 3 - Property		403	
97	Steel Tower Replacement (Moerwa-Haruru)		211	
98	Taipa Generator Metering		78	
99	Cross-roads interconnection		60	
100	Projects less than 50K		313	
101				
102	<i>* include additional rows if needed</i>			
103	All other projects or programmes - other reliability, safety and environment		-	
104	<b>Other reliability, safety and environment expenditure</b>			10,190
105	less Capital contributions funding other reliability, safety and environment		-	
106	<b>Other reliability, safety and environment less capital contributions</b>			10,190
107				
108				
109	<b>6a(ix): Non-Network Assets</b>			
110	<b>Routine expenditure</b>			
111	<i>Project or programme*</i>		(\$000)	(\$000)
112	Computer Hardware		24	
113	Plant and Equipment Electrical		14	
114	Plant and Equipment Furniture		91	
115	Vehicles		73	
116	Software		1,167	
117	Leased Assets (Right of Use)		1,758	
118			-	
119	<i>* include additional rows if needed</i>			
120	All other projects or programmes - routine expenditure			
121	<b>Routine expenditure</b>			3,126
122				
123	<b>Atypical expenditure</b>			
124	<i>Project or programme*</i>		(\$000)	(\$000)
125			-	
126			-	
127			-	
128			-	
129	<i>* include additional rows if needed</i>			
130	All other projects or programmes - atypical expenditure		-	
131	<b>Atypical expenditure</b>			-
132				
133	<b>Expenditure on non-network assets</b>			3,126
134				

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**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	<b>6b(i): Operational Expenditure</b>		
8	Service interruptions and emergencies	1,706	
9	Vegetation management	1,900	
10	Routine and corrective maintenance and inspection	1,754	
11	Asset replacement and renewal	965	
12	<b>Network opex</b>		6,324
13	System operations and network support	6,442	
14	Business support	6,344	
15	<b>Non-network opex</b>		12,786
16			
17	<b>Operational expenditure</b>		19,109
18	<b>6b(ii): Subcomponents of Operational Expenditure (where known)</b>		
19	Energy efficiency and demand side management, reduction of energy losses		-
20	Direct billing*		-
21	Research and development		-
22	Insurance		385
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		

Company Name	Top Energy Ltd
For Year Ended	31 March 2020

**SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE**

This schedule compares actual revenue and expenditure to the previous forecasts that were made for the disclosure year. Accordingly, this schedule requires the forecast revenue and expenditure information from previous disclosures to be inserted.

EDBs must provide explanatory comment on the variance between actual and target revenue and forecast expenditure in Schedule 14 (Mandatory Explanatory Notes). This information is part of the audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8. For the purpose of this audit, target revenue and forecast expenditures only need to be verified back to previous disclosures.

sch ref

7(i): Revenue		Target (\$000) <sup>1</sup>	Actual (\$000)	% variance
7				
8	Line charge revenue	55,771	55,478	(1%)
7(ii): Expenditure on Assets		Forecast (\$000) <sup>2</sup>	Actual (\$000)	% variance
9				
10	Consumer connection	1,636	2,548	56%
11	System growth	20,174	16,347	(19%)
12	Asset replacement and renewal	8,527	5,698	(33%)
13	Asset relocations	-	-	-
14	Reliability, safety and environment:			
15	Quality of supply	1,527	-	(100%)
16	Legislative and regulatory	-	-	-
17	Other reliability, safety and environment	73	10,190	13,859%
18	<b>Total reliability, safety and environment</b>	<b>1,600</b>	<b>10,190</b>	<b>537%</b>
19	<b>Expenditure on network assets</b>	<b>31,937</b>	<b>34,783</b>	<b>9%</b>
20	Expenditure on non-network assets	850	3,126	268%
21	Expenditure on assets	32,787	37,909	16%
7(iii): Operational Expenditure				
22				
23	Service interruptions and emergencies	1,199	1,706	42%
24	Vegetation management	2,071	1,900	(8%)
25	Routine and corrective maintenance and inspection	1,787	1,754	(2%)
26	Asset replacement and renewal	1,106	965	(13%)
27	<b>Network opex</b>	<b>6,163</b>	<b>6,324</b>	<b>3%</b>
28	System operations and network support	5,934	6,442	9%
29	Business support	5,198	6,344	22%
30	<b>Non-network opex</b>	<b>11,132</b>	<b>12,786</b>	<b>15%</b>
31	<b>Operational expenditure</b>	<b>17,295</b>	<b>19,109</b>	<b>10%</b>
7(iv): Subcomponents of Expenditure on Assets (where known)				
32				
33	Energy efficiency and demand side management, reduction of energy losses	-	-	-
34	Overhead to underground conversion	-	-	-
35	Research and development	-	-	-
36				
7(v): Subcomponents of Operational Expenditure (where known)				
37				
38	Energy efficiency and demand side management, reduction of energy losses	-	-	-
39	Direct billing	-	-	-
40	Research and development	-	-	-
41	Insurance	344	385	12%

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

2 From the CY+1 nominal dollar expenditure forecasts disclosed in accordance with clause 2.6.6 for the forecast period starting at the beginning of the disclosure year (the second to last disclosure of Schedules 11a and 11b)

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**  
 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**

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)
IND	Commercial	Non-standard	3	48,412
TOU	Commercial	Standard	62	40,147
GA	Commercial	Standard	34	6,197
LC	Residential	Standard	32	117
LR	Residential	Standard	15,325	70,206
LU	Residential	Standard	34	162
SC	Residential	Standard	7	54
SR	Residential	Standard	11,542	78,899
SU	Residential	Standard	4	38
G	Commercial	Standard	5,251	79,475
DG	Commercial	Standard	-	4,722
CAP150	Commercial	Standard	-	-
STL (UM)	Unmetered	Non-standard	241	926
LDG	Commercial	Non-standard	2	-
<b>Standard consumer totals</b>			32,291	280,016
<b>Non-standard consumer totals</b>			246	49,338
<b>Total for all consumers</b>			32,537	329,355

Add extra rows for additional consumer groups or price category codes as necessary

Price component	Billed quantities by price component				
	Fixed	Variable			
Days	-	-	-	-	-
kWh	-	-	-	-	-
	48,412	-	-	-	-
	-	40,147	-	-	-
	-	6,197	-	-	-
	-	117	-	-	-
	-	70,206	-	-	-
	-	162	-	-	-
	-	54	-	-	-
	-	78,899	-	-	-
	-	38	-	-	-
	-	79,475	-	-	-
	-	4,722	-	-	-
	-	-	-	-	-
	926	-	-	-	-
	-	-	-	-	-
	-	280,016	-	-	-
	49,338	-	-	-	-
	49,338	280,016	-	-	-

Add extra columns for additional billed quantities by price component as necessary

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**  
 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**

35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
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49  
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57  
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60

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	Notional revenue foregone from posted discounts (if applicable)
IND	Commercial	Non-standard	\$1,823	-
TOU	Commercial	Standard	\$4,450	-
GA	Commercial	Standard	\$975	-
LC	Residential	Standard	\$18	-
LR	Residential	Standard	\$13,486	-
LU	Residential	Standard	\$36	-
SC	Residential	Standard	\$9	-
SR	Residential	Standard	\$16,659	-
SU	Residential	Standard	\$10	-
G	Commercial	Standard	\$17,510	-
DG	Commercial	Standard	-	-
CAP150	Commercial	Standard	-	-
STL (UM)	Unmetered	Non-standard	\$438	-
LDG	Commercial	Non-standard	\$64	-
<i>Add extra rows for additional consumer groups or price category codes as necessary</i>				
<b>Standard consumer totals</b>			\$53,154	-
<b>Non-standard consumer totals</b>			\$2,325	-
<b>Total for all consumers</b>			\$55,478	-

Total distribution line charge revenue	Total transmission line charge revenue (if available)
883	940
3,859	591
846	129
16	2
11,696	1,790
32	5
8	1
14,447	2,211
9	1
15,186	2,324
-	-
-	-
438	-
64	-
\$46,098	\$7,056
\$1,385	\$940
\$47,483	\$7,995

Price component	Line charge revenues (\$000) by price component					
	Line charge reven	Gross Income	Gross Income	Discount	Discount	
-	-	-	-	-	-	-
-	1,843	-	-	(1)	(20)	
-	605	3,940	-	(13)	(82)	
-	132	862	-	(7)	(13)	
-	2	21	-	(1)	(3)	
-	841	15,241	-	(752)	(1,844)	
-	2	40	-	(1)	(4)	
-	3	7	-	(0)	(1)	
-	5,127	13,433	-	(562)	(1,340)	
-	3	8	-	(0)	(0)	
-	2,306	16,002	-	(253)	(545)	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	438	-	-	-	-	
-	64	-	-	(0)	(0)	
-	\$9,021	\$49,555	-	(\$1,590)	(\$3,832)	
-	\$2,346	-	-	(\$1)	(\$20)	
-	\$11,367	\$49,555	-	(\$1,591)	(\$3,852)	

*Add extra columns for additional line charge revenues by price component as necessary*

**8(iii): Number of ICPs directly billed**

Number of directly billed ICPs at year end

Check   
 Check

Company Name	Top Energy Ltd
For Year Ended	31 March 2020
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*

					Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1-4)
8	Voltage	Asset category	Asset class	Units				
9	All	Overhead Line	Concrete poles / steel structure	No.	35,139	35,231	92	3
10	All	Overhead Line	Wood poles	No.	1,413	1,283	(130)	3
11	All	Overhead Line	Other pole types	No.	5	8	3	3
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	320	314	(7)	3
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	56	56	(0)	3
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	21	21	0	3
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	-	-	-	4
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	-	-	-	4
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	-	-	-	4
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	4
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	4
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	4
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	4
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	4
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	14	14	-	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	2	2	-	4
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	4
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	8	8	-	3
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	12	12	-	3
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	178	172	(6)	3
29	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	4
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	44	47	3	4
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	43	43	-	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	104	111	7	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	4
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	29	29	-	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	2,127	2,131	4	3
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	-	-	-	4
37	HV	Distribution Line	SWER conductor	km	452	451	(1)	3
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	178	182	4	3
39	HV	Distribution Cable	Distribution UG PILC	km	32	32	0	3
40	HV	Distribution Cable	Distribution Submarine Cable	km	2	4	1	3
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	357	356	(1)	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	-	-	-	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	1,370	1,399	29	4
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	11	11	-	4
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	197	200	3	4
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	5,108	5,136	28	3
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	852	864	12	3
48	HV	Distribution Transformer	Voltage regulators	No.	12	12	-	4
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	26	25	(1)	3
50	LV	LV Line	LV OH Conductor	km	220	220	(0)	3
51	LV	LV Cable	LV UG Cable	km	663	668	5	3
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	319	318	(0)	3
53	LV	Connections	OH/UG consumer service connections	No.	33,407	33,784	377	2
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	409	421	12	4
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	1	1	-	4
56	All	Capacitor Banks	Capacitors including controls	No.	20	20	-	4
57	All	Load Control	Centralised plant	Lot	2	2	-	4
58	All	Load Control	Relays	No.	-	-	-	4
59	All	Civils	Cable Tunnels	km	-	-	-	4



Company Name	Top Energy Ltd
For Year Ended	31 March 2020
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	<b>Circuit length by operating voltage (at year end)</b>	<b>Overhead (km)</b>	<b>Underground (km)</b>	<b>Total circuit length (km)</b>
11	> 66kV	56	–	56
12	50kV & 66kV	–	–	–
13	33kV	314	21	335
14	SWER (all SWER voltages)	449	2	451
15	22kV (other than SWER)	21	10	31
16	6.6kV to 11kV (inclusive—other than SWER)	2,095	205	2,300
17	Low voltage (< 1kV)	220	668	888
18	<b>Total circuit length (for supply)</b>	<b>3,154</b>	<b>906</b>	<b>4,061</b>
19				
20	Dedicated street lighting circuit length (km)	9	309	318
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)			1,324
22				
23	<b>Overhead circuit length by terrain (at year end)</b>	<b>Circuit length (km)</b>	<b>(% of total overhead length)</b>	
24	Urban	171	5%	
25	Rural	2,071	66%	
26	Remote only	5	0%	
27	Rugged only	656	21%	
28	Remote and rugged	–	–	
29	Unallocated overhead lines	251	8%	
30	<b>Total overhead length</b>	<b>3,154</b>	<b>100%</b>	
31				
32				
33	Length of circuit within 10km of coastline or geothermal areas (where known)	3,614	89%	
34				
35	Overhead circuit requiring vegetation management	409	13%	

Company Name **Top Energy Ltd**  
 For Year Ended **31 March 2020**

**SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS**

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

sch ref

	Location *	Number of ICPs served	Line charge revenue (\$000)
8			
9	Kerikeri Retirement Centre	1	80
10			
11			
12			
13			
14			
15			
16			
17			
18			
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	Top Energy Ltd
For Year Ended	31 March 2020
Network / Sub-network Name	

**SCHEDULE 9e: REPORT ON NETWORK DEMAND**

This schedule requires a summary of the key measures of network utilisation for the disclosure year (number of new connections including distributed generation, peak demand and electricity volumes conveyed).

sch ref

8	<b>9e(i): Consumer Connections</b>		
9	Number of ICPs connected in year by consumer type		
10	Consumer types defined by EDB*	Number of connections (ICPs)	
11	GA	1	
13	GG	276	
15	LC	15	
16	LR	45	
17	LU	3	
18	SC	14	
19	SR	101	
20	SU	6	
22	UMG	5	
23	UML	2	
24	* include additional rows if needed		
25	<b>Connections total</b>	468	
26			
27	<b>Distributed generation</b>		
28	Number of connections made in year	124	connections
29	Capacity of distributed generation installed in year	0.67	MVA
30	<b>9e(ii): System Demand</b>		
31			
32		Demand at time of maximum coincident demand (MW)	
33	<b>Maximum coincident system demand</b>		
34	GXP demand	60.8	
35	plus Distributed generation output at HV and above	10.1	
36	<b>Maximum coincident system demand</b>	71.0	
37	less Net transfers to (from) other EDBs at HV and above	0	
38	<b>Demand on system for supply to consumers' connection points</b>	71.0	
39	<b>Electricity volumes carried</b>	Energy (GWh)	
40	Electricity supplied from GXPs	161.2	
41	less Electricity exports to GXPs	0.2	
42	plus Electricity supplied from distributed generation	198.9	
43	less Net electricity supplied to (from) other EDBs	0.0	
44	<b>Electricity entering system for supply to consumers' connection points</b>	360	
45	less Total energy delivered to ICPs	329	
46	<b>Electricity losses (loss ratio)</b>	31	8.5%
47			
48	<b>Load factor</b>	0.58	
49	<b>9e(iii): Transformer Capacity</b>		
50		(MVA)	
51	Distribution transformer capacity (EDB owned)	279	
52	Distribution transformer capacity (Non-EDB owned, estimated)	42	
53	<b>Total distribution transformer capacity</b>	321	
54			
55	<b>Zone substation transformer capacity</b>	464	

Company Name	Top Energy Ltd
For Year Ended	31 March 2020
Network / Sub-network Name	

**SCHEDULE 10: REPORT ON NETWORK RELIABILITY**

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

sch ref

8	<b>10(i): Interruptions</b>		
9	<b>Interruptions by class</b>	<b>Number of interruptions</b>	
10	Class A (planned interruptions by Transpower)	-	
11	Class B (planned interruptions on the network)	278	
12	Class C (unplanned interruptions on the network)	384	
13	Class D (unplanned interruptions by Transpower)	1	
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	<b>Total</b>	<b>663</b>	
20			
21	<b>Interruption restoration</b>	<b>≤3Hrs</b>	<b>&gt;3hrs</b>
22	Class C interruptions restored within	201	183
23			
24	<b>SAIFI and SAIDI by class</b>	<b>SAIFI</b>	<b>SAIDI</b>
25	Class A (planned interruptions by Transpower)	-	-
26	Class B (planned interruptions on the network)	0.64	99.4
27	Class C (unplanned interruptions on the network)	4.15	315.9
28	Class D (unplanned interruptions by Transpower)	0.95	115.0
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	<b>Total</b>	<b>5.73</b>	<b>530.3</b>
35			
36	<b>Normalised SAIFI and SAIDI</b>	<b>Normalised SAIFI</b>	<b>Normalised SAIDI</b>
37	Classes B & C (interruptions on the network)	4.8	415.3
38			

Company Name	Top Energy Ltd
For Year Ended	31 March 2020
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	0.2	7.7
Vegetation	1.0	81.2
Adverse weather	0.0	2.5
Adverse environment	-	-
Third party interference	0.4	63.0
Wildlife	0.3	13.4
Human error	0.1	4.3
Defective equipment	1.6	122.1
Cause unknown	0.5	21.8

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

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	0.0	1.4
Subtransmission cables	-	-
Subtransmission other	-	-
Distribution lines (excluding LV)	0.6	95.0
Distribution cables (excluding LV)	0.1	3.0
Distribution other (excluding LV)	-	-

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

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	0.7	44.2
Subtransmission cables	0.1	0.3
Subtransmission other	-	-
Distribution lines (excluding LV)	3.2	264.6
Distribution cables (excluding LV)	0.1	6.8
Distribution other (excluding LV)	-	-

**10(v): Fault Rate**

Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
Subtransmission lines	10	370	2.70
Subtransmission cables	2	21	9.52
Subtransmission other	-	-	-
Distribution lines (excluding LV)	366	2,565	14.27
Distribution cables (excluding LV)	6	215	2.79
Distribution other (excluding LV)	-	-	-
<b>Total</b>	<b>384</b>		

Company Name	Top Energy Ltd
For Year Ended	31/3/2020

## 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**

There have been no reclassifications in 2020. The monthly ROI table has been completed as the first/last 3 months are greater than 40% of annual cashflow.

### *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**

A gain on disposal of \$17k and Other income of \$788k which consists of reimbursement of fault expenses received from external parties \$277k, Transpower loss and constraints payments \$474k, and generation income for Diesel Generation of \$37k.  
The discount was posted in 2020.

*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**

Not applicable

*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)**

There has been no change to the RAB roll forward

*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**

Line 11 – The total comprises disallowed entertainment expenses (\$4k) This item falls within category 8.2 above.

*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)**

Line 66 - The total of \$16k comprises timing differences arising from the movement in payroll accruals between the beginning and end of the year to 31 March 2020 (\$55k), multiplied by the tax rate of 28%.

*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**

The following Business support categories have had change to allocator: Corporate property expenses; Corporate, computer, telephone & PR; Audit, insurance, admin & consultancy, Corporate training, recruitment and welfare. They have changed from a Proxy "Asset Book Value" to a Causal "Time spent" as this better reflects the cost for the regulated business. The Group's asset book value has changed over the last 2 years to a level that it is no longer an accurate allocator.

*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**

The Accounting Based Asset Allocator (ABBA) is used to allocate non-directly attributable network assets values in accordance with the IM Determination. One allocator has been determined which follows a similar process to operating cost allocation.

*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**

The Top Energy Asset Management Plan identifies a program of work consisting of a set of defined projects which are to be undertaken in any financial year. These projects are the basis on which the year's disclosed CAPEX expenditure is based. All projects are identified by the asset classification (transmission, distribution, substations etc) and type of work (system growth, relocation, replacement etc).

CAPEX expenditure was 11% greater than budget because of cost escalations and phasing variances for the Ngawha Generation 110kV line and substation interconnection project.

1. An increase in new connections during the year contributed to higher consumer connection spend. Hence the significant 56% increase in consumer connection expenditure.
2. Project programming necessitated the shift of some project work forward and others backward from FYE 2021 to FYE 2020 and vice versa. This change of project mix created some additional variance between project categories and the actual CAPEX spend for the year.
3. System Growth, Asset Replacement and Renewal categories are due to revised project timelines from carrying projects or part projects over from the preceding financial year
4. Reliability, Safety and Environment is due to diesel generators purchased to increase reliability and back up supply in the Northern region.
5. Increased Expenditure on non-network assets was largely due to the new ADMS system for operations.

For non-network assets, assets are grouped into the respective asset category.

The materiality threshold has not been changed and is \$50k

No information has 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.**

The magnitude of fault events was higher than forecast causing pressure on resources. This demand on resource resulted in other workflows being deferred to minimise the impact of the fault events.

The Network OPEX expenses were higher than forecast (3%).

Top Energy reports all Fault and Emergency asset replacement as CAPEX under asset replacement. Only the activities; of locating, looking for, finding a fault or a defected item of equipment and repair of that equipment are reported as OPEX.

Non system operating expenses are higher than forecast (15%).

The higher than forecast is largely related to the change in allocators for Business Support, with a more accurate causal allocator rather than the proxy previously used.

No items were re-classified in the Disclosure Year.

No atypical operational expenditure was incurred.

There are other related party transactions that do not fall within the scope of S5b as they are not defined as OPEX or CAPEX. This includes avoided cost of transmission charges and a recovery of connection charges from Transpower.

*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**

Project programming necessitated the shift of some project work forward and others backward from FYE 2021 to FYE 2020 and vice versa. This change of project mix created some additional variance between project categories and the actual CAPEX spend for the year.

Overall Expenditure on assets are higher than forecast (16%).

As per box 9

Overall Operating expenses were slightly higher than forecast (10%).

As per Box 10

*Information relating to revenues and quantities for the disclosure year*

15. In the box below provide-
- 15.1 a comparison of the forecast 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**

Price structure categories are Industrial, Commercial and Residential, which has been grouped as low user or standard. Changes made to the price category structure from 1 April 2016 have been used in schedule 8, which includes a Time of Use (ToU) trial for Residential

The forecast revenue is \$55,771k which was 1 % greater than actual \$55,478k. A posted discount was paid out in October 2019 for \$5,444k and does make up part of the line revenue. The NGL connection charge \$64k has been moved from Schedule 3, other income, to Schedule 8.

*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**

There has been no changes to the methodology used to acquire and record customer outages for the 2020 Information Disclosure.

*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**

Insurance is obtained for assets of a material nature that are contained in one location. For example, substation assets are insured; however individual poles and conductor/cable across the network are not. Inventory and critical spares are also insured due to common storage locations. Insurance levels are approx. \$111million.

A major event that would affect assets that are self-insured (poles and conductor/cables) may require additional debt facilities to be obtained. There is no reinsurance.

*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**

There were no amendments to previously disclosed information

Company Name Top Energy Ltd

For Year Ended 2020

## **Schedule 14a Mandatory Explanatory Notes on Forecast Information**

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

1. This Schedule requires EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.6.
2. This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

*Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a)*

3. In the box below, comment on the difference between nominal and constant price capital expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11a.

**Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts**  
The inflators used are consistent with those used by the Commission in its DPP Determination.

*Commentary on difference between nominal and constant price operational expenditure forecasts (Schedule 11b)*

4. In the box below, comment on the difference between nominal and constant price operational expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11b.

**Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts**  
The inflators used are consistent with those used by the Commission in its DPP Determination.

Company Name Top Energy Ltd  
For Year Ended 2020

## 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**

No substantial changes have been made to information disclosed in 2020

Reliability Commentary

There has been no change to the methodology used to acquire and record customer outages for the 2020 Information Disclosure.

SAIFI is based on the total customers who experienced an outage (>1 min) for each incident/event. We have not included/calculated SAIFI for multiple outages/restorations within each incident as part of the fault finding process, nor are our quality targets set based on this approach. A separate interruption is calculated for any follow-up work (if required).

Quality performance was within the regulatory targets for SAIDI and SAIFI. There were no Major Event Days.

33kV sub-transmission ring circuits have been completed as part of our Network investment programme to provide a more reliable supply to many of our zone substations.

## Directors Certificate

### Certification for Year-end Disclosures

#### Clause 2.9.2

#### Electricity Distribution Information Disclosure Determination 2012

We, Euan Richard Krogh and David Alexander Sullivan, being directors of Top Energy Limited certify that, having made all reasonable enquiry, to the best of our knowledge –

- a) The information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2 and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and
- b) The historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10 and 14 has been properly extracted from Top Energy's accounting and other records sourced from its financial and non-financial systems, and that sufficient records have been retained.
- c) In respect of information concerning assets, costs and revenues valued or disclosed in accordance with clause 2.3.6 of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012, we are satisfied that:
  - i. the costs and values of assets or goods or services acquired from a related party comply, in all material respects with clauses 2.3.6(1) and 2.3.6(3) of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5)(a)-2.2.11(5)(b) of the Electricity Distribution Services Input Methodologies Determination 2012; and
  - ii. the value of assets or good or services sold or supplied to a related party comply, in all material respects with clause 2.3.6(2) of the Electricity Distribution Information Disclosure Determination 2012.



E R Krogh



D A Sullivan

25 August 2020



AN UNMODIFIED AUDIT REPORT OF THE INDEPENDENT AUDITOR FOR AN ELECTRICITY DISTRIBUTION BUSINESS  
REPORTING UNDER THE ELECTRICITY DISTRIBUTION INFORMATION DISCLOSURE DETERMINATION 2012  
(CONSOLIDATED 3 APRIL 2018)

INDEPENDENT ASSURANCE REPORT

TO THE DIRECTORS OF TOP ENERGY AND THE COMMERCE COMMISSION

The Auditor-General is the auditor of Top Energy (the Company). The Auditor-General has appointed me, Brett Tomkins, using the staff and resources of Deloitte Limited, to provide an opinion, on his behalf, on:

- whether the information required to be disclosed in accordance with the Electricity Distribution Information Disclosure Determination 2012 as amended by the Information Disclosure exemption: Disclosure and auditing of reliability information within schedule 10, issued by the Commerce Commission on 9 April 2020 (the 'Determination, as amended') for the disclosure year ended 31 March 2020, has been prepared, in all material respects, in accordance with the Determination, as amended.

The disclosure information required to be reported by the Company, and audited by the Auditor-General, under the Determination, as amended, is in schedules 1 to 4, 5a to 5g, 6a and 6b, 7, 10 and the explanatory notes in boxes 1 to 11 in Schedule 14 ('the Disclosure Information').

- whether the Company's basis for valuation of related party transactions ('the Related Party Transaction Information') for the disclosure year ended 31 March 2020, has been prepared, in all material respects, in accordance with clause 2.3.6 and 2.3.8 of the Determination, as amended, and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012 ('the Input Methodologies Determination').

**Opinion**

In our opinion:

- as far as appears from an examination of them, proper records to enable the complete and accurate compilation of the Disclosure Information have been kept by the Company;
- as far as appears from an examination, the information used in the preparation of the Disclosure Information has been properly extracted from the Company's accounting and other records and has been sourced, where appropriate, from the Company's financial and non-financial systems;
- the Disclosure Information complies, in all material respects, with the Determination, as amended; and
- the Related Party Transaction Information complies, in all material respects, with the Determination, as amended, and the Input Methodologies Determination.

In forming our opinion, we have obtained sufficient recorded evidence and all the information and explanations we have required.

**Basis for opinion**

We conducted our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* and the Standard on Assurance Engagements 3100 (Revised): *Compliance Engagements* issued by the New Zealand Auditing and Assurance Standards Board. Copies of these standards are available on the External Reporting Board's website.

These standards require that we comply with ethical requirements and plan and perform our assurance engagement to provide reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, with the Determination, as amended, and about whether the Related Party Transaction Information has been prepared, in all material respects, with the Determination, as amended and the Input Methodologies Determination. Reasonable assurance is a high level of assurance.

We have performed procedures to obtain evidence about the amounts and disclosures in the Disclosure Information, and the basis of valuation in the Related Party Transaction Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the Disclosure Information and the Related Party Transaction Information, whether due to fraud, error or non-compliance with the Determination, as amended, or the Input Methodologies Determination. In making those risk assessments, we considered internal control relevant to the Company’s preparation of the Disclosure Information and the Related Party Transaction Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

**Scope and inherent limitations**

Because of the inherent limitations of a reasonable assurance engagement, and the test basis of the procedures performed, it is possible that fraud, error or non-compliance may occur and not be detected.

We did not examine every transaction, adjustment or event underlying the Disclosure Information or the Related Party Transaction Information, nor do we guarantee complete accuracy of the Disclosure Information or the Related Party Transaction Information. Also we did not evaluate the security and controls over the electronic publication of the Disclosure Information or the Related Party Transaction Information.

The opinion expressed in this independent assurance report has been formed on the above basis.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, required significant attention when carrying out the assurance engagement during the current disclosure year. These matters were addressed in the context of our audit, and in forming our opinion. We do not provide a separate opinion on these matters.

Key audit matter	How our procedures addressed the key audit matter
<p><b><i>Cost Allocations</i></b></p> <p>The Determination, as amended, and the Input Methodologies Determination require the disclosure of information concerning the supply of electricity distribution services (regulated services). The Company also supplies customers with unregulated services such as contracting services.</p> <p>Costs that relate to electricity distribution services regulated under the Determination, as amended, and the Input Methodologies Determination should comprise:</p> <ul style="list-style-type: none"> <li>• all of the costs directly attributable to the supply of electricity distribution services; and</li> <li>• an allocated portion of the costs that are not directly attributable.</li> </ul>	<p>We have:</p> <ul style="list-style-type: none"> <li>• obtained an understanding of the Company’s cost allocation processes and the method applied;</li> <li>• reconciled the regulated and unregulated financial information (which is included in separate business unit trial balances) to the audited financial statements for the year ended 31 March 2020;</li> <li>• reviewed the cost allocation by business unit, based on their nature and on our understanding of the business, to determine the reasonableness of the directly attributable costs by business unit;</li> <li>• assessed the reasonableness of the cost allocator and the resulting percentage allocation to regulated business; and</li> <li>• examined the method applied by the company for allocating not directly attributable costs and assessing if the method complies with the Determination, as amended, and the Input Methodologies Determination.</li> </ul>

Key audit matter	How our procedures addressed the key audit matter
<p>The Input Methodologies Determination sets out the rules and processes for allocating not directly attributable costs. A number of screening tests apply which should be considered when deciding on the appropriate allocation method.</p> <p>Given the judgement involved in the application of the method for allocating not directly attributable costs to the Company's regulated services, we consider this to be a key audit matter.</p>	
<p><b><i>Accuracy of the number and duration of electricity outages</i></b></p> <p>The Information Disclosure Determination defines certain quality measures in relation to the number of interruptions, faults, and causes of faults. These quality measures are expressed in the form of SAIDI and SAIFI values.</p> <p>The Company does not have automated systems for identifying all outages and for recording the duration of outages in some locations.</p> <p>When outages occur in these locations the Company is often dependent on customers advising it of the outage. The information is then recorded in an outage listing, which is updated to reflect any manual adjustments.</p> <p>Manual switching sheets are maintained for all faults and contain details regarding the class and calculation of each outage.</p> <p>This is a key audit matter because information on the frequency and duration of outages is an important measure about the reliability of electricity supply. Inaccuracies or the omission of faults can potentially have a significant impact on the reliability thresholds against which Company performance is assessed.</p>	<p>We have:</p> <ul style="list-style-type: none"> <li>• obtained an understanding of the Company's methods by which electricity outages and their duration are recorded;</li> <li>• completed analytical procedures for outage events, including analysing actual outages compared with prior year outages;</li> <li>• tested the design and implementation of key controls related to the recording and review of outage data;</li> <li>• tested a sample of outage events to ensure the metrics surrounding the events such as start time, number of customers affected and end time were consistent with the fault log sheet and responding technician's records;</li> <li>• tested a sample of outage events captured by the system management software used to monitor the network and which electronically records certain outage events;</li> <li>• assessed the reasonableness of why certain events have not been recorded as an outage events;</li> <li>• tested a sample of outage notifications recorded by an independent call centre to ensure the outage event has been accurately recorded;</li> <li>• checked whether major storm and outage events recorded in the media were appropriately recorded in the faults database;</li> <li>• tested a sample of outage events to ensure the classification of the type of event is reasonable;</li> <li>• reviewed the disclosure in Schedule 14 in respect of the treatment of successive interruptions; and</li> <li>• recalculated the normalised SAIDI and SAIFI using the predetermined boundary limits.</li> </ul>

#### Directors' responsibility for the preparation of the Disclosure Information and Related Party Transaction Information

The Directors of the Company are responsible for:

- the preparation of the Disclosure Information in accordance with the Determination, as amended, and
- the Related Party Transaction Information in accordance with the Determination, as amended, and the Input Methodologies Determination,

and for such internal control as the Directors determine is necessary to enable the preparation of the Disclosure Information and the Related Party Transaction Information that are free from material misstatement.

### **Our responsibility for the audit of the Disclosure Information and the Related Party Transaction Information**

Our responsibility is to express an opinion that provides reasonable assurance on whether:

- the Disclosure Information has been prepared, in all material respects, in accordance with the Determination, as amended; and
- the Related Party Transaction Information has been prepared, in all material respects, in accordance with the Determination, as amended, and the Input Methodologies Determination.

### **Independence and quality control**

When carrying out the engagement, 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 (Revised) issued by the New Zealand Auditing and Assurance Standards Board;
- the independence requirements specified in the Determination, as amended; and
- the Auditor-General's 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, and 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 business, this engagement, and the annual audit of the Company's financial statements, we have no relationship with or interests in the Company.

### **Use of this report**

This independent assurance report has been prepared solely for the Directors of the Company and for the Commerce Commission for the purpose of providing those parties with reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination, as amended, and whether the Related Party Transaction Information has been prepared, in all material respects, in accordance with the Determination, as amended and the Input Methodologies Determination. We disclaim any assumption of responsibility for any reliance on this report to any person other than the Directors of the Company or the Commerce Commission, or for any other purpose than that for which it was prepared.



Brett Tomkins  
**Deloitte Limited**  
**On behalf of the Auditor-General**  
Auckland, New Zealand  
25 August 2020