



Default Price-Quality Path

Annual Compliance Statement

1 April 2023 – 31 March 2024 Assessment Period

28 August 2024

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1. Introduction

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

This annual compliance statement is published in accordance with clause 11.4 of the 2020 DPP Determination and applies to the fourth assessment period, commencing 1 April 2023 and ending 31 March 2024.

This statement confirms that Top Energy:

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

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

2. Date prepared

This statement was prepared on 28 August 2024.

3. Wash-up amount

3.1 Statement of Compliance

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

The wash-up amount for the 2024 assessment period will be included in the calculation of allowable revenue and price-setting for the 2025 assessment period, beginning 1 April 2025. The wash-up amount is included in the calculation of allowable revenue two years after the relevant revenue assessment period.

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

3.2 Wash-up amount calculation

Table 1

Wash-up amount RY24		
Term	Description	Value (\$000)
Actual allowable revenue (AAR)	<i>Sum of actual net allowable revenue, actual pass-through and recoverable costs, pass-through balance and revenue wash-up draw down amount</i>	53,210
Actual revenue (AR)	<i>Sum of actual revenue from prices plus other regulated income</i>	43,131
Revenue foregone (RV)	<i>Actual net allowable revenue x (revenue reduction percentage - 20%) when revenue reduction percentage is greater than 20%, otherwise nil</i>	-
Wash-up amount	AAR - AR - RV	10,079

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

Further information supporting actual revenue is included in Section 3.2.2.

Further information supporting revenue foregone is included in Section 3.3.3.

3.2.1 Actual allowable revenue

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

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

Table 2

Actual allowable revenue RY24		
Term	Description	Value (\$000)
Actual net allowable revenue (ANAR)	<i>Actual net allowable revenue as set out in in Schedule 1.6 (3) for the period ending 31 March 2024</i>	45,046
Actual pass through costs	<i>Actual pass-through costs and Actual recoverable costs</i>	340
Actual recoverable costs	<i>Actual recoverable costs, excluding any recoverable cost that is a revenue wash-up drawn down amount</i>	7,342
Revenue wash-up draw down amount	<i>The opening wash-up account balance for the fourth assessment period of the DPP regulatory period is the closing wash-up account balance for the previous assessment period as set out in Schedule 1.7 (1)(b)</i>	482
Pass-through balance allowance	<i>(ePTB - Pass-through balance) x (1 + 67th percentile estimate of post-tax WACC)²</i>	-
Actual allowable revenue (AAR)	<i>Actual net allowable revenue + actual pass-through costs and actual recoverable costs</i>	53,210

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

3.2.2 Actual revenue

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

Appendix B contains the schedules of prices and quantities used to calculate actual revenue from prices. This schedule shows that Top Energy recovered \$427k higher revenue from prices, including prior period wash-ups, than the forecast revenue from prices.

Table 3

Actual revenue from prices RY24		
Term	Description	Value (\$000)
Actual revenue from prices ($\Sigma P_{2023/24} * Q_{2023/24}$)	<i>Actual prices between 1 April 2023 and 31 March 2024 multiplied by actual quantities for the period ending 31 March 2024</i>	43,444
Prior period wash-ups	<i>Prior year revisions that are receipted in the current year</i>	44
Gains and Losses	Gain or loss on disposed assets	(377)
Other Income	Other regulated income as defined in the IM determination	21
<i>Total Actual revenue (AR)</i>		43,131

Further information supporting actual revenue from prices and Prior period wash-ups is included in Appendix B.

3.2.3 Revenue foregone

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

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

Table 4

Revenue Foregone RY24		
Term	Description	Value (\$000)
Actual net allowable revenue (ANAR)	<i>Actual net allowable revenue as set out in in Schedule 1.6 (3) for the period ending 31 March 2024</i>	45,046
Revenue reduction percentage (RRP)	<i>1 - (actual revenue from prices / forecast revenue from prices)</i>	-1.84%
Revenue foregone (RV)	Actual net allowable revenue x (RRP- 20%) when RRP is greater than 20%, otherwise nil	-

4. Quality standards

4.1 Statement of compliance with planned interruptions quality standards

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

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

Table 5

Planned interruptions quality standard - SAIDI	
Sum of planned SAIDI assessed values ≤ Planned accumulated SAIDI limit	
Planned accumulated SAIDI limit	1905.36
Planned SAIDI assessed value for the first assessment period	99.21
Planned SAIDI assessed value for the second assessment period	113.56
Planned SAIDI assessed value for the third assessment period	97.23
Planned SAIDI assessed value for the fourth assessment period	174.91
Compliance result	Compliant

Table 6

Planned interruptions quality standard - SAIFI	
Sum of planned SAIFI assessed values ≤ Planned accumulated SAIFI limit	
Planned accumulated SAIFI limit	7.7526
Planned SAIFI assessed value for the first assessment period	0.82
Planned SAIFI assessed value for the second assessment period	0.97
Planned SAIFI assessed value for the third assessment period	0.70
Planned SAIFI assessed value for the fourth assessment period	1.17
Compliance result	Compliant

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

4.1.1 Planned SAIDI and SAIFI assessed values

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

Table 7

Planned SAIDI assessed value RY24		
Term	Description	Value
Class B non-notified interruptions		21.10
Class B notified interruptions falling outside window		13.40
SAIDI _B	<i>Sum of Class B non-notified interruptions</i>	34.50
Class B notified interruptions falling inside window		280.10
Class B intended interruptions cancelled without notice		0.72
Class B intended interruptions cancelled with notice		-
SAIDI _N	<i>Sum of Class B notified interruptions</i>	280.82
Planned SAIDI assessed value	<i>SAIDI_B + (SAIDI_N/2)</i>	174.91

Table 8

Planned SAIFI assessed value RY24		
Term	Description	Value
Planned SAIFI assessed value	<i>Sum of Class B interruptions commencing within the assessment period</i>	1.17

4.2 Statement of compliance with unplanned interruptions quality standards

Table 9 and Table 10 below show that Top Energy has complied with the unplanned interruptions quality standard in clause 9.7 of the 2020 DPP Determination.

Table 9

Unplanned interruptions quality standard RY24 - SAIDI		
Unplanned SAIDI assessed value \leq Unplanned SAIDI limit		
Unplanned SAIDI limit		380.24
Unplanned SAIDI assessed value	<i>Sum of normalised SAIDI values for Class C interruptions commencing within the assessment period</i>	292.29
Compliance result		Compliant

Table 10

Unplanned interruptions quality standard RY24 - SAIFI		
Unplanned SAIFI assessed value \leq Unplanned SAIFI limit		
Unplanned SAIFI limit		5.0732
Unplanned SAIFI assessed value	<i>Sum of normalised SAIFI values for Class C interruptions commencing within the assessment period</i>	3.31
Compliance result		Compliant

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

4.2.1 Major events

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

Further information about major events is included in Appendix D.

Table 11

Unplanned SAIDI major events RY24			
Start	End	Pre-normalised unplanned SAIDI	Normalised unplanned SAIDI
29/04/2023 7:00:00 am	1/05/2023 6:00:00 am	61.30	8.28
28/10/2023 7:00:00 pm	30/10/2023 11:30:00 pm	101.22	9.57

Table 12

Unplanned SAIFI major events RY24			
Start	End	Pre-normalised unplanned SAIFI	Normalised unplanned SAIFI
29/04/2023 7:00:00 pm	30/04/2023 10:00:00 pm	0.2436	0.0554
28/10/2023 11:30:00 pm	30/10/2023 5:00:00 pm	0.3405	0.0714

4.3 Statement of compliance with extreme event standard

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

Table 13

Extreme event standard RY24	
<i>Unplanned SAIDI value ≤ 120 minutes, and customer interruption minutes \leq six million during any 24-hour period, excluding unplanned interruptions from major external factors</i>	
Number of extreme events	Compliance result
nil	Compliant

4.4 Quality Incentive Adjustment

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

Table 14

Quality Incentive Adjustment RY24		
Term	Description	Value (\$000)
SAIDI planned adjustment	$(SAIDI_{planned, target} - SAIDI_{planned, assessed}) \times 0.5 \times IR$	-\$78.611
SAIDI unplanned adjustment	$(SAIDI_{unplanned, target} - SAIDI_{unplanned, assessed}) \times IR$	\$32.403
Total adjustment	$SAIDI_{planned adjustment} + SAIDI_{unplanned adjustment}$	-\$46.208
Revenue at risk	$0.02 * ANAR$	\$900.923
Total reward		-\$46.208
67th percentile estimate of post-tax WACC		4.23%
Quality incentive adjustment		-\$50.200

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

Table 15

Quality Incentive Adjustment Inputs RY24					
Term	Units	Value	Term	Units	Value
SAIDI planned interruption cap	minutes	381.07	SAIDI unplanned interruption cap	minutes	380.24
SAIDI planned interruption collar	minutes	-	SAIDI unplanned interruption collar	minutes	-
SAIDI planned interruption target	minutes	127.02	SAIDI unplanned interruption target	minutes	302.16
Planned SAIDI assessed value	minutes	174.91	Unplanned SAIDI assessed value	minutes	292.29
Incentive rate		3,283			
Actual net allowable revenue (ANAR)	\$0	45,046			
SAIDI planned interruption target	minutes	127.02	SAIDI unplanned interruption target	minutes	302.16
Minimum of the planned SAIDI cap and assessed value	minutes	174.91	Minimum of the unplanned SAIDI cap and assessed value	minutes	292.29
Planned SAIDI subject to incentive	minutes	-47.89	Unplanned SAIDI subject to incentive	minutes	9.87
Adjustment (IR x 0.5)	\$	1641.5	Adjustment (IR)	\$	3,283
SAIDI planned adjustment	\$0	-\$78,611	SAIDI planned adjustment	\$0	\$32,403

5. Transactions

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

6. Director's certification

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

7. Assurance report

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

Appendix A – Pass-through and recoverable costs

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

These costs for the assessment period were forecast by Top Energy in December 2022 as part of the company's annual pricing process. For the 2024 assessment period the actual pass-through and recoverable costs incurred were \$53k less than forecast.

Pass-through costs

Table 16

Passthrough Costs for year ending March 2024				
Description	2024 Actual \$	2024 Forecast \$	Variance (\$)	Variance (%)
Rates	61,218	60,965	253	.41%
Electricity Authority Levies	92,018	96,831	(4,812)	(5.23)%
Commerce Commission Levies	164,071	212,454	(48,383)	(29.49)%
Complaints Levy	22,804	22,670	134	.59%
Total	340,111	392,920	(52,809)	(15.53)%

Recoverable costs

Table 17

Recoverable Costs for year ending March 2024					Notes
Description	2024 Actual \$	2024 Forecast \$	Variance (\$)	Variance (%)	
Transpower	6,768,845	6,005,653	763,192	11.28%	As per Transpower billing
Extended Reserves Allowance			-	-	
Quality Incentive Adjustment	(120,516)	(120,516)	-	-	Quality Incentive calculation for 21/22 adjusted for time value of money
Innovation	-	-	-	-	No Innovation spending in AMP
IRIS (OPEX)	1,761,503	1,761,503	-	-	As per Com Com model for IRIS
IRIS (CAPEX))	(498,453)	(498,453)	-	-	As per Com Com model for IRIS
CAPEX wash-up Adjustment	(569,506)	(569,506)			
Total	7,341,873	6,578,681	763,192	10.4%	

Recoverable Costs for year ending March 2024					Notes
Description	2024 Actual \$	2024 Forecast \$	Variance (\$)	Variance (%)	
Transpower	6,768,845	6,005,653	763,192	11.28%	As per Transpower billing
Avoided Transmission Ngawha	-	-	-	-	Based on RCPD Hundred peaks and Transpower price for Interconnection
Extended Reserves Allowance			-	-	
Quality Incentive Adjustment	(120,516)	(120,516)	-	-	Quality Incentive calculation for 21/22 adjusted for time value of money
Innovation	-	-	-	-	No Innovation spending in AMP
IRIS (OPEX)	1,761,503	1,761,503	-	-	As per Com Com model for IRIS
IRIS (CAPEX))	(498,453)	(498,453)	-	-	As per Com Com model for IRIS
CAPEX wash-up Adjustment	(569,506)	(569,506)			
Total	7,341,873	6,578,681	763,192	10.4%	

Pass-through balance

Table 18

Nil

Appendix B – Prices and quantities

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

Table 19

Forecast revenue from prices RY24	
Total forecast revenue from prices	42,704

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

Table 20

The table below shows the breakdown of price x quantities for total revenue before discount.

[illegible]

FP _{3302+Q_U}		Prices at 31 March 2024 multiplied by QTY 31 March 2024 Actual																	
TY	Number of Days	2024 366																	
Tariff or Fee		Description	Pass through Average Number of ICPs 31/03/24	Distribution Average Number of ICPs 31/03/24	Total Revenue (\$)	Discount										Total Revenue (\$)			
						ICP Numbers eligible as 31.3.2024	Percentage	Kwh discounted	Fixed Discount \$/day		Variable Discount c/kWh (Capex)	Actual Distribution Discount (\$)		Actual Distribution Discount (\$)		Total Discount (\$)	Total Revenue less Discount (\$)		
									Fixed	Variable (kWh)		Fixed	Variable	SP, 2024 Q1 2024					
Low User Non-TOU (LR)																			
LRF		LRF Daily Transmission Price	7271	7,271	1,197,530	6,888	-	-	0.1373	-	-	(346,147)	-	-	-	-	(346,147)	851,383	
Capacity Charge 4 to 12kW																			
LUC	UN24	LRF Uncontrolled			1,224,968		21%	1,608,283	-	0.1094	-	-	175,946.16	-	(175,946)	-	1,049,022		
LA	UN18	LRF All inclusive			3,725,925		79%	5,938,591	-	0.1094	-	-	649,681.85	-	(649,682)	-	3,076,243		
LFC	UN20	LRF Controlled 20			9,743				-	-	-	-	-	-	-	-	9,743		
Low user TOU Uncontrolled																			
LUF		LUF Daily price on HHR	2111	2,111	347,730	2,282	-	-	0.1373	-	-	(114,671)	-	-	-	(114,671)	233,059		
Capacity Charge 4 to 12kW																			
LU1	UN24	LUF Peak			385,129		20%	492,819	-	0.1094	-	-	53,914.35	-	(53,914)	-	331,214		
LU2	UN24	LUF Shoulder			734,491		56%	1,377,575	-	0.1094	-	-	150,706.74	-	(150,707)	-	583,788		
LU3	UN24	LUF Off peak			301,168		24%	600,134	-	0.1094	-	-	65,654.71	-	(65,655)	-	235,513		
Low user TOU controlled																			
LCF		LCF Daily price on HHR	7468	7,468	1,230,053				-	0.1373	-	-	(369,690)	-	-	(369,690)	860,363		
Capacity Charge 4 to 12kW																			
LC1	IN18	LCF Peak			1,299,906		19%	1,688,765	-	0.1094	-	-	173,809.80	-	(173,810)	-	1,516,097		
LC2	IN18	LCF Shoulder			2,522,056		54%	4,404,239	-	0.1094	-	-	481,822.65	-	(481,823)	-	2,040,234		
LC3	IN18	LCF Off peak			1,125,940		27%	2,190,233	-	0.1094	-	-	239,611.47	-	(239,611)	-	886,129		
Standard User Non-TOU (SR)																			
SRF		SRF Daily Price	5040	5,040	2,766,962	4,727	-	-	0.3402	-	-	(588,613)	-	-	-	(588,613)	2,178,349		
Capacity Charge 4 to 12kW																			
SUC	UN24	SRF Uncontrolled			1,145,281		26%	1,336,287	-	0.0437	-	-	58,483.16	-	(58,483)	-	1,087,796		
SA	IN18	SRF All inclusive			2,438,746		74%	3,764,724	-	0.0437	-	-	364,916.48	-	(364,916)	-	3,274,237		
SFC	UN20	SRF Controlled 20			19,766				-	-	-	-	-	-	-	-	19,766		
Standard user TOU Uncontrolled																			
SUF		SUF Daily price on HHR	2076	2,076	1,139,705	2,063	-	-	0.3402	-	-	(256,818)	-	-	-	(256,818)	882,886		
Capacity Charge 4 to 12kW																			
SU1	UN24	SUF Peak			483,328		19%	613,746	-	0.0437	-	-	18,080.72	-	(18,081)	-	465,248		
SU2	UN24	SUF Shoulder			861,911		53%	1,153,513	-	0.0437	-	-	50,408.50	-	(50,409)	-	811,502		
SU3	UN24	SUF Off peak			388,586		28%	612,470	-	0.0437	-	-	26,764.94	-	(26,765)	-	361,821		
Standard user TOU Controlled																			
SCF		SCF Daily price on HHR	4228	4,228	2,321,294	4,463	-	-	0.3402	-	-	(555,743)	-	-	-	(555,743)	1,765,551		
Capacity Charge 4 to 12kW																			
SC1	IN18	SCF Peak			872,962		19%	929,218	-	0.0437	-	-	40,606.85	-	(40,607)	-	832,375		
SC2	IN18	SCF Shoulder			1,411,049		54%	2,657,715	-	0.0437	-	-	116,142.14	-	(116,142)	-	1,294,907		
SC3	IN18	SCF Off peak			569,241		27%	1,336,266	-	0.0437	-	-	58,394.84	-	(58,395)	-	504,886		
General User (GG)																			
GGF		GGF Daily Price	3084	3,084	2,144,564	2,791	-	-	0.3402	-	-	(347,469)	-	-	-	(347,469)	1,797,095		
Capacity Charge to 15 MW																			
GGUC	UN24	GGF Uncontrolled			5,220,704		92%	2,325,456	-	0.0437	-	-	110,799.43	-	(110,799)	-	5,109,904		
GGIA	IN18	GGF All inclusive			238,799		8%	211,730	-	0.0437	-	-	9,352.61	-	(9,353)	-	329,547		
GGFC	UN20	GGF Controlled 20			155,847				-	-	-	-	-	-	-	-	155,847		
General TOU Uncontrolled																			
GUF		GUF Daily price on HHR	2077	2,077	1,444,344	2,106	-	-	0.3402	-	-	(262,277)	-	-	-	(262,277)	1,182,067		
Capacity Charge 4 to 12kW																			
GU1	UN24	GUF Peak			939,884		17%	358,346	-	0.0437	-	-	15,659.72	-	(15,660)	-	924,225		
GU2	UN24	GUF Shoulder			2,092,953		57%	1,193,134	-	0.0437	-	-	51,139.94	-	(51,140)	-	2,040,813		
GU3	UN24	GUF Off peak			832,808		26%	554,478	-	0.0437	-	-	24,230.67	-	(24,231)	-	808,677		
General TOU controlled																			
SCF		SCF Daily price on HHR	428	428	297,801	423	-	-	0.3402	-	-	(62,704)	-	-	-	(62,704)	244,897		
Capacity Charge 4 to 12kW																			
SC1	IN18	SCF Peak			215,963		17%	76,833	-	0.0437	-	-	3,357.58	-	(3,358)	-	212,605		
SC2	IN18	SCF Shoulder			424,986		56%	249,654	-	0.0437	-	-	10,910.34	-	(10,910)	-	414,076		
SC3	IN18	SCF Off peak			170,038		27%	323,182	-	0.0437	-	-	5,385.05	-	(5,385)	-	164,655		
General Advanced User (GA)																			
GAF	TOU or SM	GAF Daily price on HHR	45	45	164,637	43	-	-	0.5500	-	-	(8,611)	-	-	-	(8,611)	156,027		
Capacity Charge 4 to 12kW																			
G1		G1 Peak			212,893		25%	1,201,396	-	0.0032	-	-	3,844.44	-	(3,844)	-	209,049		
G2		G2 Shoulder			310,753		54%	2,438,138	-	0.0032	-	-	8,442.04	-	(8,442)	-	302,311		
G3		G3 Off peak			77,851		21%	-	-	-	-	-	3,351.69	-	(3,352)	-	74,499		
Kaikohe (KO) customers																			
GAIND		GAIND Daily Price	1	1	2,561	1	-	-	0.5500	-	-	(200)	-	-	-	(200)	2,361		
Capacity Charge 4 to 12kW																			
GAIND1		GAIND1 Peak			9,387		37%	59,730	-	0.0032	-	-	191.14	-	(191)	-	9,196		
GAIND2		GAIND2 Shoulder			3,983		63%	26,796	-	0.0032	-	-	329.28	-	(329)	-	3,654		
GAIND3		GAIND3 Off Peak			448				-	-	-	-	-	-	-	-	448		
GOUND																			
GOUND		GOUND Daily Price	1	1	487	-	-	-	0.3402	-	-	-	-	-	-	-	487		
Capacity Charge 4 to 12kW																			
GOUND1		GOUND1 Peak			1,394		62%	702	-	0.0437	-	-	30.69	-	(31)	-	1,363		
GOUND2		GOUND2 Shoulder			92		8%	89	-	0.0437	-	-	3.02	-	(3)	-	89		
GOUND3		GOUND3 Off Peak			401		31%	-	-	0.0437	-	-	15.42	-	(15)	-	386		
TOUND																			
TOUND		TOUND Daily Price			-	-	-	-	0.5500	-	-	-	-	-	-	-	-		
Capacity Charge 4 to 12kW																			
LDEV1		-			-				-	-	-	-	-	-	-	-	-		
LDEV2		-			-				-	-	-	-	-	-	-	-	-		
LDEV3		-			-				-	-	-	-	-	-	-	-	-		
DO																			
		-			62,074				-	-	-	-	-	-	-	-	62,074		
Larger User (TOU)																			
TOU		TOU Daily price on HHR	38	38	279,035	38	32%	-	-	0.5500	-	-	(7,610)	-	-	-	271,425		
Capacity Charge 4 to 12kW																			
TOU1		Peak			255,335		32%	3,359,903	-	0.0032	-	-	10,751.69	-	(10,752)	-	244,583		
TOU2		Shoulder			320,784		68%	6,998,200	-	0.0032	-	-	22,394.24	-	(22,394)	-	298,390		
TOU3		Off peak			31,691				-	-	-	-	-	-	-	-	31,691		
TOUXT		Peak	25	25	249,887	24		-	-	0.5500	-	-	(4,806)	-	-	-	245,081		
TOUXT1		Peak			412,610		33%	4,620,169	-	0.0032	-	-	14,784.84	-	(14,785)	-	397,826		
TOUXT2		Shoulder			501,675		67%	9,313,166	-	0.0032	-	-	29,802.13	-	(29,802)	-	471,873		
TOUXT3		Off peak			63,840				-	-	-	-	-	-	-	-	63,840		
TOUXT																			
		-			391,755				-	-	-	-	-	-	-	-	391,755		
TOULWD																			
		-			171,623				-	-	-	-	-	-	-	-	171,623		
Industrial																			
IND1		-	1	1	1,157,039.5	1		-	-	38.01	-	-	(13,913)	-	-	13,913	1,143,126		
IND1		-	1	1	-	1		-	-	-	-	-	-	-	-	-	-		
IND2		-	1	1	475,617	1		-	-	-	-	-	19.01	-	(19,01)	-	463,607		
NGL																			
NGL	LDG	-	1	1	777,068				-	-	-	-	-	-	-	-	777,068		
Generators																			
	LDG	-	4	4	-				-	-	-	-	-	-	-	-	-		
Street Lights																			
Capacity Charge 4 to 12kW																			
ULM0		-	6	6	-				-	-	-	-	-	-	-	-	-		
ULM0F		-	155	155	23,633				-	-	-	-	-	-	-	-	23,633		
ULM0L		-	8	8	2,765				-	-	-	-	-	-	-	-	2,765		
ULM0T		-	4	4	411				-	-	-	-	-	-	-	-	411		
ULM1		-	4	4	-				-	-	-	-	-	-	-	-	-		
ULM1F		-	21	21	377,559				-	-	-	-	-	-	-	-	377,559		
NGL																			
		-	67	67	-				-	-	-	-	-	-	-	-	-		
Adjustment for previous period wash-up																			
SP _{2024 Q1}			34,162	34,162	45,274,149.48	25,802		64,000,641	-	-	-	2,936,228	2,850,311	-	5,786,439.35	-	43,487,710.13		

- **PROCESS SUMMARY**

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

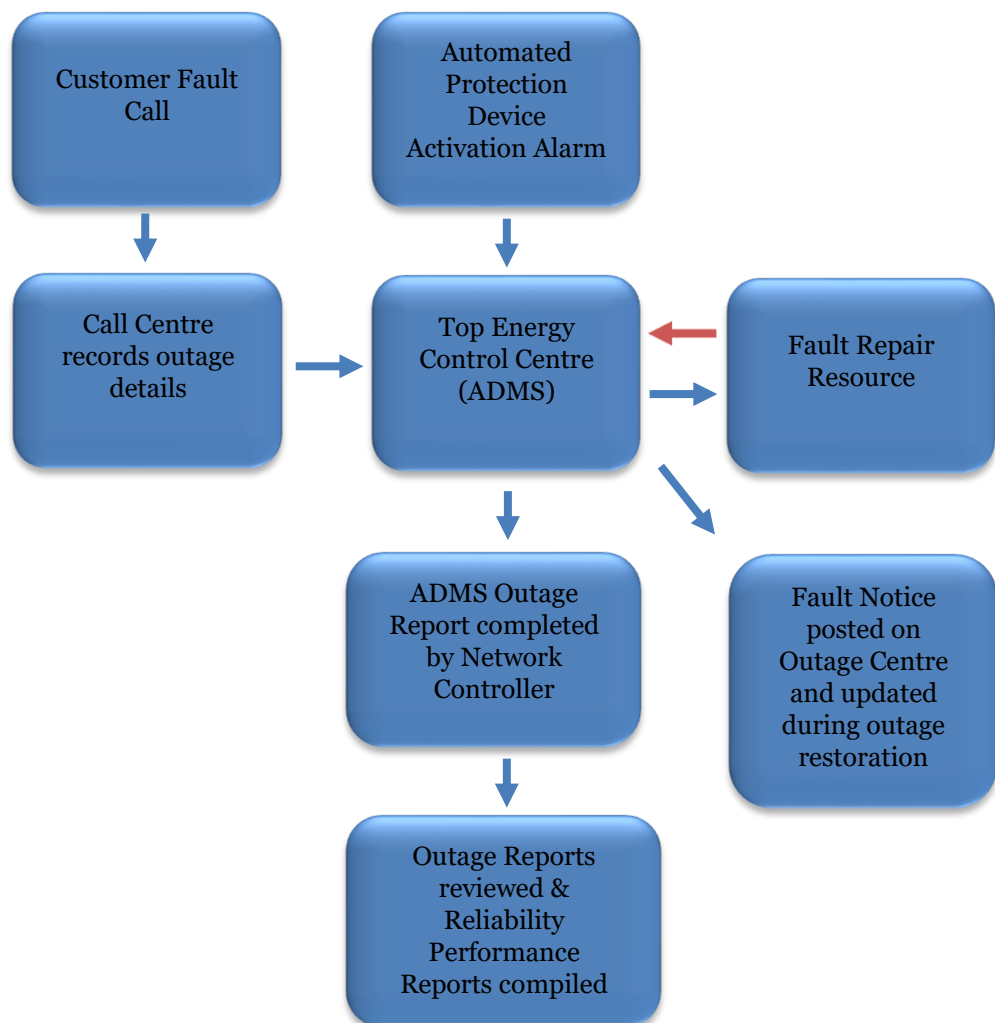
UNPLANNED OUTAGES

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

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

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

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



Interruption to Unplanned Outage Response or Repair

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

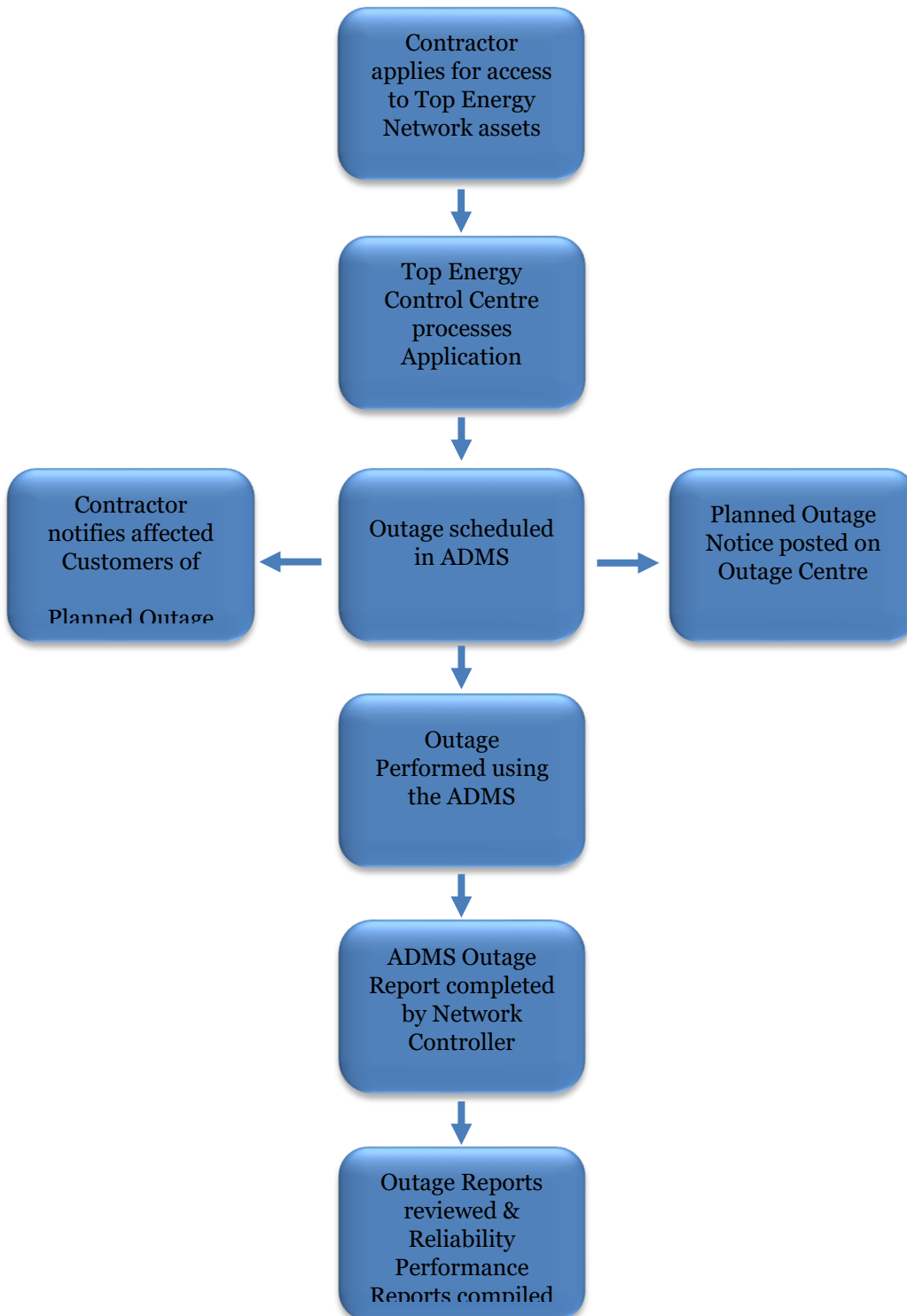
Only high voltage assets owned and operated by Top Energy are included in SAIDI calculations. Serviceability is defined by the customer's ability to receive line function services and at their point of supply/Network connection (ICP).

- **PLANNED OUTAGES**

Planned outages are managed by the Control Centre which:

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

- **ADMS INCIDENT RECORDING**



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

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

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

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

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

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

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

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

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

Appendix D – SAIDI and SAIFI major events

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

Table 21

Normalisation of unplanned SAIDI major events RY24		
SAIDI unplanned boundary value 27.92		
Half hour commencing	Raw SAIDI value for Class C interruption	Normalised SAIDI value for Class C interruption 1/48th
29/04/2023 9:00	0.255450304	0.255450304
29/04/2023 22:30	2.570337905	0.581666667
30/04/2023 1:30	0.535897073	0.535897073
30/04/2023 4:00	0.342909656	0.342909656
30/04/2023 4:30	18.57093171	0.581666667
30/04/2023 6:00	1.76137424	0.581666667
30/04/2023 6:30	17.32554786	0.581666667
30/04/2023 7:00	0.729874169	0.581666667
30/04/2023 7:30	4.075045949	0.581666667
30/04/2023 8:00	2.265573307	0.581666667
30/04/2023 9:30	2.25253782	0.581666667
30/04/2023 11:00	1.74206136	0.581666667
30/04/2023 13:00	0.262406334	0.262406334
30/04/2023 14:00	0.348564965	0.348564965
30/04/2023 16:00	0.024939912	0.024939912
30/04/2023 18:30	7.101512795	0.581666667
30/04/2023 20:00	0.113275838	0.113275838
1/05/2023 5:00	1.023469532	0.581666667
29/10/2023 3:30	0.053442669	0.053442669
29/10/2023 8:30	3.336292945	0.581666667
29/10/2023 9:30	0.173391772	0.173391772
29/10/2023 14:30	1.7597342	0.581666667
29/10/2023 15:00	0.702191432	0.581666667
29/10/2023 15:30	1.860681465	0.581666667
29/10/2023 17:30	19.39137565	0.581666667
29/10/2023 18:00	0.280248834	0.280248834
29/10/2023 18:30	31.98781281	0.581666667
29/10/2023 19:00	0.321843631	0.321843631
29/10/2023 19:30	0.397737876	0.397737876
29/10/2023 20:30	5.99066874	0.581666667
29/10/2023 23:00	7.990272869	0.581666667
30/10/2023 1:00	13.79785098	0.581666667

30/10/2023 3:00	6.489636646	0.581666667
30/10/2023 6:00	0.509882652	0.509882652
30/10/2023 6:30	0.181705076	0.181705076
30/10/2023 10:00	0.553060936	0.553060936
30/10/2023 11:30	3.748310476	0.581666667
30/10/2023 12:00	0.110844055	0.110844055
30/10/2023 15:00	1.574749046	0.581666667
30/10/2023 16:00	0.009048494	0.009048494
Total	162.522494	17.85298341

Table 22

Normalisation of unplanned SAIFI major events RY24		
SAIFI unplanned boundary value 0.2284		
Half hour commencing	Raw SAIFI value for Class C interruption	Normalised SAIFI value for Class C interruption 1/48th
29/04/2023 22:30	0.0486357	0.004758
30/04/2023 1:30	0.0026014	0.002601
30/04/2023 4:00	0.0025166	0.002517
30/04/2023 4:30	0.0402092	0.004758
30/04/2023 6:00	0.0108865	0.004758
30/04/2023 6:30	0.0433762	0.004758
30/04/2023 7:00	0.0014421	0.001442
30/04/2023 7:30	0.0198219	0.004758
30/04/2023 8:00	0.0306518	0.004758
30/04/2023 9:30	0.0036194	0.003619
30/04/2023 11:00	0.0040718	0.004072
30/04/2023 13:00	0.0046656	0.004666
30/04/2023 14:00	0.0005373	0.000537
30/04/2023 16:00	0.0003959	0.000396
30/04/2023 18:30	0.0279089	0.004758
30/04/2023 20:00	0.0022621	0.002262
29/10/2023 3:30	0.0002545	0.000254
29/10/2023 8:30	0.013601	0.004758
29/10/2023 9:30	0.0003959	0.000396
29/10/2023 14:30	0.0626608	0.004758
29/10/2023 15:00	0.0107734	0.004758
29/10/2023 15:30	0.0108299	0.004758
29/10/2023 17:30	0.0216881	0.004758
29/10/2023 18:00	0.0027711	0.002771
29/10/2023 18:30	0.0342712	0.004758
29/10/2023 19:00	0.0003959	0.000396

29/10/2023 19:30	0.0073802	0.004758
29/10/2023 20:30	0.0246289	0.004758
29/10/2023 23:00	0.0538103	0.004758
30/10/2023 1:00	0.0350912	0.004758
30/10/2023 3:00	0.0222536	0.004758
30/10/2023 6:00	0.0026014	0.002601
30/10/2023 6:30	0.0005938	0.000594
30/10/2023 10:00	0.0007352	0.000735
30/10/2023 11:30	0.0216033	0.004758
30/10/2023 12:00	0.0014704	0.00147
30/10/2023 15:00	0.0123003	0.004758
30/10/2023 16:00	0.0002262	0.000226
Total	0.5839389	0.126723

Major Event Normalisation YE2024

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

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

Major SAIDI and SAIFI Event 1: Storm April – May (29/4/2023 7:00am to 1/5/2023 6:00am)

Severe Weather was at the end of April, beginning of May, causing multiple trees to fall on the line feeding Russell, and also triggering accelerated failure of equipment north of Waipapa.

INCIDENT	INCIDENT DESCRIPTION	Unnormalised SAIDI	Unnormalised SAIFI
INCD-18716-F	# Possum on Pole 408430, Totara North Rd, Waitaruke	0.255	0.0038
INCD-18722-F	# Reclosing on CB 1205, due to Pole 421226, Inland Rd, Karikari	0.053	0.0444
INCD-18725-F	# Broken Pole 418146, Rangiputa Rd, Rangiputa	2.517	0.0042
INCD-18749-F	# Blown Fuse F-S159, Onekura Rd, Waipapa	0.536	0.0026
INCD-18740-F	# Sectionaliser Tripped S1037, Purerua Rd, Kerikeri	0.343	0.0025
INCD-18755-F	# Broken Pole 421206, Inland Rd, Karikari	18.571	0.0402
INCD-18776-F	# Faulty Jumpers on Pole 431915, Purerua Rd, Kerikeri	0.815	0.0089
INCD-18824-F	# Vegetation on Line, Whalers Rd, Pukenui	0.946	0.002
INCD-18788-F	# Multiple Tree Contacts during Storm, Settlement Rd, Russell Express	17.326	0.0434
INCD-18806-F	# SWER Recloser Tripped, Otangaroa Rd, Otangaroa	0.306	0.0012
INCD-18836-F	# Bamboo in Line, Doonside Rd, Kerikeri	0.423	0.0003
INCD-18791-F	# Digger Tripped Lines, Dunn Street, Okahu	4.075	0.0198
INCD-18803-F	# Line Down at Pole 434609, SH12, Whirinaki	2.266	0.0307
INCD-18815-F	# Line Down at Pole 409212, Puketi Rd, Puketi	2.253	0.0036
INCD-18818-F	# Broken Pole, 205479, Pokapu Road, Matawaia	1.742	0.0041
INCD-18830-F	# Tree in HV Lines, at Pole 440134, Waiare Rd, Waipapa	0.262	0.0047

INCD-18833-F	# Tree through line at Pole 413716, Maromaku Rd, Taikirau	0.349	0.0005
INCD-18842-F	# Fuses Blown, Bayly Rd, Waitangi	0.025	0.0004
INCD-18863-F	# Tree on Line, Pole 432269, Kowhai Ave, Kaikohe	7.102	0.0279
INCD-18866-F	# Branch on Line, Near Pole 440505, Valencia Lane, Kerikeri	0.047	0.0021
INCD-18884-F	# Damaged Dropper, Inland Rd, Lake Ohia	0.066	0.0001
INCD-18887-F	# Tree Through Line, near Pole 424918, Whangae Rd, Whangae	1.023	0.0005

Major SAIDI and SAIFI Event 2: Cyclone Lola (28/10/2023 7:00 pm to 30/10/2023 11:30 pm)
Cyclone Lola arrived in Northland in October causing 28 outages, many of which were caused by vegetation falling on or contacting lines.

INCIDENT	INCIDENT DESCRIPTION	Unnormalized SAIDI	Unnormalized SAIFI
INCD-22277-F	# Bird Strike, Beyond L240, Te Kowhai Point Rd, Kerikeri	0.053	0.0003
INCD-22280-F	# Trees on Line, Adverse Weather, Before T08802, Mahinepua Rd, Mahinepua	3.336	0.0136
INCD-22343-F	# Link Blown, F2152, Bayly Rd, Waitangi	0.173	0.0004
INCD-22319-F	# Recloser Tripped R199, Russell Rd, Russell	0.346	0.0435
INCD-22334-F	# F2048 Tripped, Adverse Weather, Kimberley Rd, Te Kao	1.395	0.001
INCD-22322-F	# Reclosing on Te Kao Feeder, Lamb Rd, Pukenui	0.019	0.0182
INCD-22337-F	# Fuse Tripped F_S159, Onekura Rd, Waipapa	0.286	0.0026
INCD-22454-F	# Faulty Transformer Tripped Feeder, T00074, Iwitaia Rd, Mangamuka	0.416	0.0082
INCD-22328-F	# Trippe Recloser R426, Pole 418896, Kopuokai Rd, Fairburns	1.861	0.0108
INCD-22361-F	# Adverse Weather, Multiple Repairs, Beyond Recloser R354, Far North Rd, Pukenui	4.488	0.0093
INCD-22403-F	# Adverse Weather, L437 and L911, Vujcich Rd, Waima	0.163	0.0001
INCD-22364-F	RUSSELL ROAD, 11kV RECL R199	14.74	0.0123
INCD-22391-F	# Fuse F_S159, Adverse Weather, Onekura Rd	0.276	0.0026
INCD-22367-F	# R9001 Tripped, Adverse Weather, Iwitaia Rd, Mangamuka	0.004	0.0002

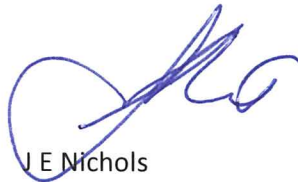
INCD-22376-F	KAWAKAWA Russell Express, 11kV CB 0209	29.299	0.0313
INCD-22382-F	# Branch on Line, Pole 417604, Pawarenga Rd, Rotokakahi	2.689	0.003
INCD-22418-F	# Fuse Blown, F2152, Lines Clashing, Tau Henare Drive, Waitangi	0.322	0.0004
INCD-22397-F	# Cross Arm Re-Attached, Pole 403040, Franklin Street, Opua	0.398	0.0074
INCD-22412-F	# Repair Line Down, Pole 332097, Wharau Rd, Kerikeri Inlet	5.991	0.0246
INCD-22424-F	# Circuit Breaker Tripped, CB051752, Omanaia Substation	7.99	0.0538
INCD-22430-F	# Tree on Pole, Pole 413904, Hillcrest Rd, Kaikohe	13.798	0.0351
INCD-22433-F	TE PUA ROAD, 22kV RECL R587	6.49	0.0223
INCD-22436-F	# Fuse F_S159 Tripped, Onekura Rd, Waipapa	0.51	0.0026
INCD-22442-F	# Broken Cross-Arm, by Transformer T03559, Taita Rd, Waimamaku	0.182	0.0006
INCD-22466-F	# Line Down, Pole 417672, Kohe Rd, Rotokakahi	0.553	0.0007
INCD-22448-F	# Broken Crossarm, Tree on Line, Pole 405315, Puketona Rd, Haruru Falls	3.748	0.0216
INCD-22451-F	# Repair DDO/ Main Line, F_T02744, West Coast Rd, Mitimiti	0.015	0.0003
INCD-22460-F	# Recloser Tripped, Cause Unknown, R_T00004, Wainui Rd, Te Ngaere	0.096	0.0012
INCD-22469-F	# Lines Down, Pole 433341, Rakauwahi Rd, Taheke	1.575	0.0123
INCD-22478-F	# Vegetation Contact, Beyond L041, Mahinepua Rd, Mahinepua	0.009	0.0002

Appendix E – Director’s certificate

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



D A Sullivan



J E Nichols

28 August 2024

Appendix F – Assurance report



Independent Assurance Report

To the Directors of Top Energy Limited on the Annual Compliance Statement for the assessment period ended 31 March 2024

As required by the Electricity Distribution Services Default Price-quality Path Determination 2020

The Auditor-General is the auditor of Top Energy Limited (the Company). The Auditor-General has appointed me, Jason Stachurski, using the staff and resources of Deloitte Limited, to undertake a reasonable assurance engagement, on his behalf, on whether the Annual Compliance Statement on pages 4 to 14 and 17 to 32 for the assessment period ended on 31 March 2024 has been prepared, in all material respects, in compliance with the Electricity Distribution Services Default Price-Quality Path Determination 2020 (consolidated 20 May 2020), including any applicable subsequent amendments (the 'Determination').

Opinion

In our opinion, in all material respects:

- as far as appears from our examination, the information used in the preparation of the Annual Compliance Statement has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- the Company has complied with clauses 11.5 and 11.6 of the Determination in preparing the Annual Compliance Statement for the assessment period ended 31 March 2024.

Basis for opinion

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

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

Directors' responsibilities

The directors of the Company are responsible:

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

Auditor's responsibilities

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

- as far as appears from our examination, the information used in the preparation of the Annual Compliance Statement has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- the Annual Compliance Statement, for the assessment period ended 31 March 2024, has been prepared, in all material respects, in accordance with the requirements in clauses 11.5 and 11.6 of the Determination.

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

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

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

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

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

Inherent limitations

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

Restricted use

This report is provided solely for your exclusive use and solely for the purpose of complying with Clause 11.5(e) of the Determination. However, we understand that a copy of this report has been requested by the Commerce Commission solely for the purpose above. We agree that a copy of our report may be provided to the Commerce Commission. This report is not to be used for any other purpose. We accept or assume no duty, responsibility or liability to any party, other than you, in connection with the report or this engagement including without limitation, liability for negligence in relation to the opinion expressed in our report.

Independence and quality control

We complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* (PES 1) issued by the New Zealand Auditing and Assurance Standards Board; and
- quality management requirements, which incorporate Professional and Ethical Standard 3 *Quality Management for Firms that perform Audits or Reviews of Financial Statements, or other Assurance or Related Services Engagements* (PES 3) issued by the New Zealand Auditing and Assurance Standards Board. PES 3 requires our firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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 trading activities of the Company, this engagement, the assurance engagement on the Information Disclosures and the annual audit of the Company's financial statements, we have no relationship with or interests in the Company.



Jason Stachurski
Deloitte Limited
On behalf of the Auditor-General
Auckland, New Zealand
28 August 2024

Appendix G – Compliance statement reference

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

Table D1: Wash-up amount calculation

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

Table D2: Quality Path summary

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

Table D3: Annual compliance statement

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