



Information Disclosure prepared according to
subpart 3 of the Part 4A Commerce Act 1986

For the Assessment Period: 1 April 2009 - 31 March 2010

I. Contents

I.	Introduction.....	3
II.	Structure of Eastland Network Ltd	3
III.	Schedules.....	4
	1. FS1 - Regulatory Profit Statement	4
	2. FS2 - Regulatory Asset & Financing Statement.....	6
	3. FS3 - Regulatory Tax Allowance Calculation	7
	4. AV1 - Annual Regulatory Valuation Roll-Forward Report	8
	5. AV2 Regulatory Valuation Disclosure by Asset Class	9
	6. AV3 - System Fixed Assets Replacement Cost Roll-Forward Report.....	10
	7. AV4 - Business Merger, Acquisition or Sale – Regulatory Asset Base Disclosure.....	11
	8. MP1 - Network Information – Total Business.....	12
	9. MP1 - Network Information – Gisborne	13
	10. MP1 - Network Information - Wairoa.....	14
	11. MP2 - Performance Measures.....	15
	12. MP3 - Price and Quality Measures – Total Business.....	16
	13. MP3 - Price and Quality Measures – Gisborne.....	18
	14. MP3 - Price and Quality Measures – Wairoa	20
	15. AM1- Expenditure Forecasts and Reconciliation	22
IV.	Transitional Provisions.....	23
V.	Assumptions and Explanatory Notes.....	24
VI.	Auditor’s Reports	26
	16. Auditor’s Report	26
VII.	Director’s Certificates	29
	17. Certificate for Disclosed Information	29
	18. Certificate for Valuation Report	30

I. Introduction

These Information Disclosure documents are submitted by Eastland Network Ltd pursuant to subpart 3 of Part 4A the Commerce Act 1986 in accordance with



The Electricity Information Disclosure Requirements issued 31 March 2004, consolidating all amendments to 31 October 2008,



The Electricity Distribution (Information Disclosure) Requirements 2008,



The Electricity Information Disclosure Handbook (as amended 31 October 2008), and



The Handbook for Optimised Deprival Valuation of System Fixed Assets of Electricity Lines Businesses (30 August 2004)

Part 4A of the Commerce Act 1986 provides for a regulatory regime for electricity lines businesses, which inter alia sets out provisions for an information disclosure regime in order to allow for public monitoring of lines business operations and behavior. The purpose of the information disclosure regime is to promote the efficient operation of markets directly related to electricity distribution and transmission services. This is to be achieved by ensuring that lines companies provide timely and reliable information about their business activities and make that information publicly accessible for interested parties.

II. Structure of Eastland Network Ltd

For the purpose of regulatory compliance, Eastland Network Ltd is a “Distribution business” and must accordingly comply with the regulatory requirements. Clause 6(1)(c) of the Electricity Distribution (Information Disclosure) Requirements 2008, requires Distribution businesses to submit separate MP1 and MP3 reports in relation to their consumer-controlled parts of the network and their non-consumer controlled parts of the network

This requirement applies to Eastland Network Ltd because Eastland Network Ltd is Consumer-controlled by virtue of its ownership by the Eastland Energy Community Trust and that approximately 81% of Eastland Network’s consumers (by ICP connection) are “Controlling consumers” (being the beneficiaries of the Eastland Energy Community Trust). Therefore the additional requirements are triggered in respect of Eastland Network’s Distribution business.

III. Schedules

1. FS1 - Regulatory Profit Statement

REPORT FS1: REGULATORY PROFIT STATEMENT		Electricity Distribution Business:	Eastland Network Limited
ref		For Year Ended	2010
5			
6	Income		
7			(\$000)
8	Net Line Charge Revenue Received	27,635	
9	plus Discretionary Discounts and Customer Rebates	-	FS1a
10	Gross Line Charge Income		27,635
11			
12			
13	Capital Contributions	93	
14	plus Net Value of Vested Assets	103	
15	Total Capital Contributions and Vested Assets		196
16			
17	AC Loss Rental Rebates Received	810	
18	less AC Loss Rental Rebates Passed On	755	
19	Net AC loss rental income (deficit)		55
20			
21			
22	Other Income	519	
23			519
24			
25	Total regulatory income		28,405
26			
27			
28	Expenses		
29			
30	Transmission Charges - Payments to Transpower	6,646	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	2,083	
32	Total Transmission Costs		8,729
33			
34	Operational Expenditure:		
35	General Management, Administration and Overheads	2,122	
36	System Management and Operations	1,385	
37	Routine and Preventative Maintenance	958	to AM1
38	Refurbishment and Renewal Maintenance	144	to AM1
39	Fault and Emergency Maintenance	1,029	to AM1
40	Pass-through Costs	112	
41	Other	89	
42	Total Operational Expenditure		5,839 to MP2
43			
44			
45	Operational earnings		13,837
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	4,194	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	186	from AV1
50	Total Regulatory Depreciation		4,380 to FS3
51			
52			
53	Earnings before interest and tax (EBIT)		9,457 to FS3
54			
55	less Regulatory Tax Allowance		1,675 from FS3
56			
57	plus Indexed Revaluation (of System Fixed Assets)		2,236 from AV1
58	plus Revaluations of Non-System Fixed Assets		303 from AV1
59			
60	Regulatory profit / loss (pre-financing and distributions)		10,321 to MP2

REPORT FS1: REGULATORY PROFIT STATEMENT (cont)

Notes to Regulatory Profit Statement

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

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges		
77	Operational Expenditure	1,674	
78	Subvention Payment		
79	Other related party expenditure		
80	Total Related Party Expenditure		1,674
81	<i>N.B.: The additional Related Party information that is required to be disclosed in accordance with Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this Schedule and forms part of this Schedule.</i>		
82			
83			
84			

87	FS1c: Operational Expenditure notes		(\$000)
88	Merger and Acquisition Expenses		
89	Merger and Acquisition Expenses (not to be included in Operational Expenditure)		
90			
91	Material items (if greater than 10% of the Operational Expenditure line item)		
92	Material item amount 1		<i>Notes to be provided separately</i>
93	within expenditure category:	Select one	
94	Material item amount 2		<i>Notes to be provided separately</i>
95	within expenditure category:	Select one	
96	Material item amount 3		<i>Notes to be provided separately</i>
97	within expenditure category:	Select one	
98			
99			
100			
101			
102			
103			

(further disclosures to be provided on separate page if required)

106	FS1d: Vested Assets		(\$000)
107	Consideration Paid for Vested Assets		33

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

to be repeated as required for multiple reclassifications

2. FS2 - Regulatory Asset & Financing Statement

REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT		Electricity Distribution Business: Eastland Network Limited	
ref		For Year Ended	2010
5			
6			
7	Capital Expenditure on System Fixed Assets (by primary purpose)		(\$000)
8	Customer Connection	63	to AM1
9	System Growth	517	to AM1
10	Reliability, Safety and Environment	83	to AM1
11	Asset Replacement and Renewal	4,005	to AM1
12	Asset Relocations	3	to AM1
13	Total Capital Expenditure on System Fixed Assets	4,671	to AM1
14			
15			
16	Capital Expenditure on Non-System Fixed Assets	329	from AV1
17			
18			
19	Capital works roll-forward (for System Fixed Assets)		
20	Works Under Construction at Beginning of Year	1,689	
21	plus Total Capital Expenditure on System Fixed Assets	4,671	
22	less Assets Commissioned in Year	4,747	from AV1
23	Works under construction at year end	1,613	
24			
25			
26	Regulatory Investment Value calculation		
27	System Fixed Assets: regulatory value at end of Previous Year	109,261	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	2,579	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	2,677	2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	114,516	
31			
32	plus System Fixed Assets Commissioned in Year	4,747	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	329	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	5,076	
36	Regulatory Asset Base investment in Current Financial Year - average	2,538	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	Adjustment for merger, acquisition or sale to another EDB	-	from AV4
40			
41	Regulatory Investment Value	117,054	to MP2

3. FS3 - Regulatory Tax Allowance Calculation

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION		Electricity Distribution Business: Eastland Network	
ref		For Year Ended	2010
5			
6			
7			(\$000)
8	Earnings before interest and tax (EBIT)		9,457 <i>from FS1</i>
9			
10	<i>add</i> Total Regulatory Depreciation	4,380	<i>from FS1</i>
11	Other Permanent Differences - not deductible	9	
12	Other Temporary Adjustments - Current Period	296	
13			4,685
15	<i>less</i> Non Taxable Capital Contributions and Vested Assets	196	
16	Tax Depreciation	5,625	
17	Deductible Discretionary Discounts and Customer Rebates		
18	Deductible Interest	2,585	<i>from row 53</i>
19	Other Permanent Differences - Non Taxable		
20	Other Temporary Adjustments - Prior Period	154	
21			8,560
22			
23	Regulatory taxable income for Year		5,582
24			
25	<i>less</i> Tax Losses Available at Start of Year		
26	Net taxable income		5,582
27			
28	Statutory Tax Rate	30%	
29	Regulatory Tax Allowance		1,675 <i>to FS1</i>

Notes to Regulatory Tax Allowance Calculation

36	FS3a: Description of adjustments classified as "other"
37	
38	The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory notes can be provided in a separate note if necessary).
39	
40	
41	
42	
43	
44	
45	

48	FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)		
49			
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%
51			
52	Standard Cost of Debt Assumption	5.52%	%
53			
54	Deductible Interest	2,585	\$000 <i>to row 18</i>
55			
56	Interest Tax Shield Adjustment	775	\$000 <i>to MP2</i>

4. AV1 - Annual Regulatory Valuation Roll-Forward Report

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

		Electricity Distribution Business:		Eastland Network				
		For Year Ended:		2010				
		Year of most recent ODV		2004				
		(\$'000)						
		ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +	
		1	2	3	4	5	6	
For Year Ending:		2005	2006	2007	2008	2009	2010	
System Fixed Assets								
	Regulatory Value at End of Previous Year*	86,184	90,568	97,606	101,081	103,074	109,261	to FS2
	<i>plus</i>							
	Assets Commissioned	5,763	8,199	4,998	1,815	5,898	4,747	to FS2
	Gross Value of Vested Assets				678	1,158	136	to FS1
	Assets Acquired from (Sold to) a Non-EDB							to FS2
	Asset Additions	5,763	8,199	4,998	2,493	7,056	4,883	
	<i>plus</i>							
	Indexed Revaluation	2,322	3,041	2,477	3,403	3,061	2,236	to FS1
	<i>less</i>							
	Depreciation of System Fixed Assets	3,365	3,515	3,634	3,773	3,915	3,955	
	Regulatory Value of Assets Decommissioned	336	687	366	130	15	239	
	Regulatory Depreciation (incl. value of assets decommissioned)	3,701	4,202	4,000	3,903	3,930	4,194	to FS1
	<i>plus (minus)</i>							
	Acquisition of System Fixed Assets from another EDB	-	-	-	-	-	-	from AV4
	<i>less</i>							
	Sale of System Fixed Assets to another EDB	-	-	-	-	-	-	from AV4
	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	-	-	-	-	-	
	<i>plus (minus)</i>							
	Net Increase (Decrease) Due to Changes in Asset Register Information							
	Regulatory Value of System Fixed Assets at Year End	90,568	97,606	101,081	103,074	109,261	112,186	
Non-System Fixed Assets								
	Regulatory value at end of previous year	2,835	2,698	2,670	2,564	2,424	2,579	
	<i>plus</i>							
	Asset Additions	151	359	229	19	355	329	to FS2
	<i>plus</i>							
	Revaluations	30	(32)	-	107	-	303	to FS1
	<i>less</i>							
	Depreciation (incl. value of assets decommissioned)	318	355	335	266	200	186	to FS1
	<i>plus</i>							
	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-	-	-	from AV4
	Regulatory Value of Non-System Fixed Assets at Year end	2,698	2,670	2,564	2,424	2,579	3,025	
	Total Regulatory Asset Base Value (excluding FDC)	93,266	100,276	103,645	105,498	111,840	115,211	
	* The commencing figure for completing this schedule is the most recent ODV value							
	Note: Additional columns to be added if required							

Notes to Annual Regulatory Valuation Roll-forward Report

AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets								
	CPI as at date of ODV	928						
	For Year Ended	2005	2006	2007	2008	2009	2010	
	CPI at CPI reference date	953	985	1010	1044	1075	1097	
	Revaluation Rate	2.69%	3.36%	2.54%	3.37%	2.97%	2.05%	
	System Fixed Assets: Regulatory Value at End of Previous Year	86,184	90,568	97,606	101,081	103,074	109,261	
	Indexed Revaluation of System Fixed Assets	2,322	3,041	2,477	3,403	3,061	2,236	to FS1, AV1
AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB		(\$'000)						
	For Year Ended	2005	2006	2007	2008	2009	2010	
	Acquisition of System Fixed Assets from another EDB							
	Sale of System Fixed Assets to another EDB							
	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB							

5. AV2 Regulatory Valuation Disclosure by Asset Class

REPORT AV2: REGULATORY VALUATION DISCLOSURE BY ASSET CLASS (for System Fixed Assets)

		Electricity Distribution Business: Eastland Network								
								For Year Ended: 2010		
6										
7										
8										
9										
10										
		Subtotals by Asset Class (for System Fixed Assets)								
		(\$000)								
		Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	
11	System Fixed Assets									
12										
13	Regulatory Value of System Fixed Assets (as per most recent ODV)	7,245	7,441	33,058	14,667	13,124	7,747	2,902	86,184	<i>from AV1</i>
14										
15	Cumulative roll-forward since most recent ODV:									
16	Asset Additions								33,392	<i>from AV1</i>
17	Indexed Revaluation (of System Fixed Assets)								16,540	<i>from AV1</i>
18	less Regulatory Depreciation (of System Fixed Assets)								23,930	<i>from AV1</i>
19	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	<i>from AV1</i>
20	Net Increase (Decrease) Due to Changes in Asset Register Information								-	<i>from AV1</i>
21	Regulatory Value of System Fixed Assets at Year End								112,186	<i>from AV1</i>

6. AV3 - System Fixed Assets Replacement Cost Roll-Forward Report

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT

	Electricity Distribution Business:	Eastland Network	
	For Year Ended:	2010	
5			
6	System Fixed Assets - Replacement Cost		
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	System Fixed Assets - Depreciated Replacement Cost		
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)

Notes to Price and Quality Measures

36	AV3a: New Asset Additions		
37			
38			
39			
40			
41			
42			

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

REPORT AV4: BUSINESS MERGER, ACQUISITION OR SALE - REGULATORY ASSET BASE DISCLOSURE

Electricity Distribution Business: Eastland Network Limited

6 Disclosure required? (YES or NIL DISCLOSURE):

7

8

9 As at (date): 31/03/2010

10 Proportion of year following transfer of assets 0%

11

12 **PART 1: Most recent ODV valuation of System Fixed Assets transferred** (\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transforme	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								-
14 less Depreciation								-
15 Depreciated Replacement Cost (DRC)	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								-
17 Optimised Depreciated Replacement Cost (ODRC)	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								-
19 Most recent ODV value	-	-	-	-	-	-	-	-

20

21

22

23

24

25

26 **PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)** (\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
28 Cumulative roll-forward since most recent ODV:			
29 Asset Additions			
30 Indexed Revaluation (of System Fixed Assets)			
31 less Regulatory Depreciation (of System Fixed Assets)			
32 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
33 Net Increase (Decrease) due to Changes in Asset Register Information			
34 RAB Value of Transferred Assets at Transfer Date	-		-
35 Acquisition of Assets from Another EDB	-	-	to AV1
36 Sale of Assets to Another EDB	-	-	to AV1
37 RAB Value of Transferred Assets at Transfer Date	-		
38 "p" factor (proportion of year following transfer of assets)	0%		
39 Adjustment for merger, acquisition or sale to another EDB		-	to FS2

40

41

42

43

44

45

46

47 **PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred** (\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets
48 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC	-	-
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC	-	-

50

51

52 Signed by: Selling Entity

53

54 Acquiring Entity

55

56

57

8. MP1 - Network Information – Total Business

REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref		Electricity Distribution Business:	Eastland Network Limited
6			For Year Ended: 2010
7	Network Name:	Eastland Network Limited - Total Business (enter "Total Business" or name of network)	
9	Disclosure:	Annual Disclosure - Requirement 6(1)	
10	Circuit Length by Operating Line Voltage (at year end)	Overhead (km)	Underground (km)
11			Total (km)
12	> 66kV	-	-
13	50kV & 66kV	300	1
14	33kV	34	0
15	SWER (all SWER voltages)	1	-
16	22kV (other than SWER)	-	-
17	6.6kV to 11kV (inclusive - other than SWER)	2,410	135
18	Low Voltage (< 1kV)	535	245
19	Total circuit length (for Supply)	3,280	382
20			780
21	Dedicated Street Lighting Circuit Length	13	8
22			21
23	Overhead Circuit Length by Terrain (at year end)	(km)	(%)
24	Urban (only)	196	6%
25	Rural (only)	1,734	53%
26	Remote (only)	385	12%
27	Rugged (only)	5	0%
28	Rural & rugged (only)	691	21%
29	Remote & rugged (only)	270	8%
30	Unallocated overhead lines	-	0%
31	Total overhead length	3,280	100%
32			
33			
34	Transformer capacity (at year end)		Previous Year
35	Distribution Transformer Capacity (EDB Owned)	211 MVA	208
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	28 MVA	28
37	Total Distribution Transformer Capacity	239 MVA (to MP2)	236
38			
39	Zone Substation Transformer Capacity	157 MVA	157
40			
41	System Fixed Assets age (at year end)		
42	Average Age of System Fixed Assets	28 Years	
43	Average Expected Total Life of System Fixed Assets	50 Years	
44	Average Age as a Proportion of Average Expected Total Life	55%	
45			
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	36%	
47			
48			
49			
50			
51	Electricity demand	Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)
52			
53	GXP Demand	49	54
54	plus Embedded Generation Output at HV and Above	8	
55	Maximum System Demand	57	
56	less Net Transfers to (from) Other EDBs at HV and Above	-	
57	Demand on system for supply to customers' Connection Points	57	
58	less Subtransmission Customers' Connection Point Demand	-	-
59	Maximum Distribution Transformer Demand	57	
60			
61	GXP Demand not Supplied at Subtransmission Level	7	
62	Embedded Generation Output - Connected to Subtransmission System	-	-
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-	-
64			
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	3	
66			
67	Five-Year System Maximum Demand Growth Forecast	1.1 % p.a.	
68			
69	Electricity volumes carried	(GWh)	
70	Electricity Supplied from GXPs	284	
71	less Electricity Exports to GXPs	-	
72	plus Electricity Supplied from Embedded Generators	16	
73	less Net Electricity Supplied to (from) Other EDBs	-	
74	Electricity entering system for supply to customers' Connection Points	300	
75	less Electricity Supplied to Customers' Connection Points	280	
76	Electricity Losses (loss ratio)	20	6.7% %
77			
78	Electricity Supplied to Customers' Connection Points	280	
79	less Electricity Supplied to Largest 5 Connection Points	41	
80	Electricity supplied other than to Largest 5 Connection Points	239	85% %
81			
82	Load Factor	60% %	
83			
84	Number of Connection Points (at year end)	25,432	ICPs
85			
86	Intensity of service requirements		
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	15	kW/km
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	76	MWh/km
89	Connection Point Density (ICPs / Total circuit length)	7	ICP/km
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	11,003	kWh/ICP

9. MP1 - Network Information – Gisborne

REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref		Electricity Distribution Business:	Eastland Network Limited	
6			For Year Ended:	2010
7	Network Name:	Eastland Network Limited - Gisborne (enter "Total Business" or name of network)		
9	Disclosure:	Annual Disclosure - Requirement 6(1)		
10	Circuit Length by Operating Line Voltage (at year end)	Overhead (km)	Underground (km)	Total (km)
11	> 66kV	-	-	-
12	50kV & 66kV	268	1	269
13	33kV	-	-	-
14	SWER (all SWER voltages)	-	-	-
15	22kV (other than SWER)	-	-	-
16	6.6kV to 11kV (inclusive - other than SWER)	1,725	116	1,841
17	Low Voltage (< 1kV)	398	198	596
18	Total circuit length (for Supply)	2,392	315	2,707
19				to MP2
20	Dedicated Street Lighting Circuit Length	12	8	20
21				
22	Overhead Circuit Length by Terrain (at year end)	(km)	(%)	
23	Urban (only)	172	7%	
24	Rural (only)	1,370	57%	
25	Remote (only)	302	13%	
26	Rugged (only)	5	0%	
27	Rural & rugged (only)	431	18%	
28	Remote & rugged (only)	112	5%	
29	Unallocated overhead lines	-	0%	
30	Total overhead length	2,392	100%	
31				
32				
33				
34	Transformer capacity (at year end)			Previous Year
35	Distribution Transformer Capacity (EDB Owned)	169	MVA	168
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	19	MVA	19
37	Total Distribution Transformer Capacity	188	MVA (to MP2)	187
38				
39	Zone Substation Transformer Capacity	155	MVA	155
40				
41	System Fixed Assets age (at year end)			
42	Average Age of System Fixed Assets	27	Years	
43	Average Expected Total Life of System Fixed Assets	50	Years	
44	Average Age as a Proportion of Average Expected Total Life	54%	%	
45				
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	35%	%	
47				
48				
49				
50	Electricity demand	Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)	
51				
52	GXP Demand	42	45	
53	plus Embedded Generation Output at HV and Above	4		
54	Maximum System Demand	46		
55	less Net Transfers to (from) Other EDBs at HV and Above	-		
56	Demand on system for supply to customers' Connection Points	46		
57	less Subtransmission Customers' Connection Point Demand	-	-	
58	Maximum Distribution Transformer Demand	46		to MP2
59				
60	GXP Demand not Supplied at Subtransmission Level	-	-	
61	Embedded Generation Output - Connected to Subtransmission System	-	-	
62	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-	-	
63				
64	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	3		
65				
66	Five-Year System Maximum Demand Growth Forecast	1.0	% p.a.	
67				
68				
69	Electricity volumes carried	(GWh)		
70	Electricity Supplied from GXPs	241		
71	less Electricity Exports to GXPs	-		
72	plus Electricity Supplied from Embedded Generators	2		
73	less Net Electricity Supplied to (from) Other EDBs	-		
74	Electricity entering system for supply to customers' Connection Points	243		
75	less Electricity Supplied to Customers' Connection Points	228		
76	Electricity Losses (loss ratio)	15	6.3%	to MP2
77				
78	Electricity Supplied to Customers' Connection Points	228		
79	less Electricity Supplied to Largest 5 Connection Points	32		
80	Electricity supplied other than to Largest 5 Connection Points	196	86%	
81				
82	Load Factor	60%	%	
83				
84	Number of Connection Points (at year end)	20,566	ICPs	to MP2
85				
86	Intensity of service requirements			
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	17	kW/km	
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	84	MWh/km	
89	Connection Point Density (ICPs / Total circuit length)	8	ICP/km	
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	11,077	kWh/ICP	

10. MP1 - Network Information - Wairoa

REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Eastland Network Limited
6		
7	Network Name:	Eastland Network Limited - Wairoa (enter "Total Business" or name of network)
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10		For Year Ended: 2010
11	Circuit Length by Operating Line Voltage (at year end)	
12		Overhead (km) Underground (km) Total (km)
13	> 66kV	- - -
14	50kV & 66kV	32 - 32
15	33kV	34 0 34
16	SWER (all SWER voltages)	1 - 1
17	22kV (other than SWER)	- - -
18	6.6kV to 11kV (inclusive - other than SWER)	684 20 704
19	Low Voltage (< 1kV)	136 47 184
20	Total circuit length (for Supply)	888 67 955 to MP2
21	Dedicated Street Lighting Circuit Length	0 0 0
22		
23	Overhead Circuit Length by Terrain (at year end)	(km) (%)
24	Urban (only)	23 3%
25	Rural (only)	364 41%
26	Remote (only)	83 9%
27	Rugged (only)	- 0%
28	Rural & rugged (only)	260 29%
29	Remote & rugged (only)	158 18%
30	Unallocated overhead lines	- 0%
31	Total overhead length	888 100%
32		
33		
34	Transformer capacity (at year end)	
35	Distribution Transformer Capacity (EDB Owned)	42 MVA Previous Year
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	9 MVA 40
37	Total Distribution Transformer Capacity	51 MVA (to MP2) 9
38		
39	Zone Substation Transformer Capacity	3 MVA 50
40		
41	System Fixed Assets age (at year end)	
42	Average Age of System Fixed Assets	30 Years
43	Average Expected Total Life of System Fixed Assets	50 Years
44	Average Age as a Proportion of Average Expected Total Life	60%
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	41%
47		
48		
49		
50		
51	Electricity demand	
52		Maximum coincident system demand (MW) Non-coincident Sum of maximum demands (MW)
53	GXP Demand	7 9
54	plus Embedded Generation Output at HV and Above	4
55	Maximum System Demand	11
56	less Net Transfers to (from) Other EDBs at HV and Above	-
57	Demand on system for supply to customers' Connection Points	11
58	less Subtransmission Customers' Connection Point Demand	-
59	Maximum Distribution Transformer Demand	11 to MP2
60		
61	GXP Demand not Supplied at Subtransmission Level	7
62	Embedded Generation Output - Connected to Subtransmission System	-
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-
64		
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	-
66		
67	Five-Year System Maximum Demand Growth Forecast	0.1 % p.a.
68		
69	Electricity volumes carried	(GWh)
70	Electricity Supplied from GXPs	43
71	less Electricity Exports to GXPs	-
72	plus Electricity Supplied from Embedded Generators	14
73	less Net Electricity Supplied to (from) Other EDBs	-
74	Electricity entering system for supply to customers' Connection Points	57
75	less Electricity Supplied to Customers' Connection Points	52
76	Electricity Losses (loss ratio)	5 8.7% % to MP2
77		
78	Electricity Supplied to Customers' Connection Points	52
79	less Electricity Supplied to Largest 5 Connection Points	16
80	Electricity supplied other than to Largest 5 Connection Points	36 69% %
81		
82	Load Factor	60% %
83		
84	Number of Connection Points (at year end)	4,866 ICPs to MP2
85		
86	Intensity of service requirements	
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	11 kW/km
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	54 MWh/km
89	Connection Point Density (ICPs / Total circuit length)	5 ICP/km
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	10,689 kWh/ICP

11. MP2 - Performance Measures

REPORT MP2: PERFORMANCE MEASURES							
ref	Electricity Distribution Business: Eastland Network Limited						
	For Year Ended: 2010						
5							
6	Performance comparators						
7		Previous Years:			Current Financial Year		
8		Current Yr - 3	Current Yr - 2	Current Yr - 1			
9	Operational expenditure ratio						
10		<i>Total Operational Expenditure</i>	5	6	6 \$m from FS1		
11		<i>Replacement Cost of System Fixed Assets (at year end*)</i>	230	243	250 \$m from AV3		
12		Ratio (%)	Not defined	2.17%	2.52%	2.34% %	
13							
14	Capital expenditure ratio						
15		<i>Total Capital Expenditure on System Fixed Assets</i>	4	4	5 \$m from FS2		
16		<i>Replacement Cost of System Fixed Assets (at year end*)</i>	230	243	250 \$m from AV3		
17		Ratio (%)	Not defined	1.74%	1.80%	1.87% %	
18							
19	Capital expenditure growth ratio						
20		<i>Capital Expenditure: Customer Connection and System Growth</i>			1 \$m from FS2		
21		<i>Change in Total Distribution Transformer Capacity</i>		7	3 MVA from MP1		
22		\$/kVA	Not defined	Not defined	-	215 \$/kVA	
23							
24	Renewal expenditure ratio						
25		<i>Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal</i>			4 \$m from FS1 & 2		
26		<i>Regulatory Depreciation of System Fixed Assets</i>		4	4 \$m from AV1		
27		Ratio (%)	Not defined	Not defined	0%	99% %	
28							
29	Distribution Transformer Capacity Utilisation						
30		<i>Maximum Distribution Transformer Demand</i>	59	58	56	57 MW from MP1	
31		<i>Total Distribution Transformer Capacity (at year end*)</i>	207	229	236	239 kVA from MP1	
32		Ratio (%)	28.5%	25.3%	23.7%	23.7% %	
33							
34	Return on Investment						
35		<i>Regulatory Profit / Loss (pre-financing and distributions)</i>		11	11	10 \$m from FS1	
36		<i>less Interest Tax Shield Adjustment</i>		1	1	1 \$m from FS3	
37		<i>Adjusted Regulatory Profit</i>	-	10	10	10 \$m	
38		<i>Regulatory Investment Value</i>		107	111	117 \$m from FS2	
39		Ratio (%)	Not defined	9.35%	9.01%	8.16% %	
40		* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.					
41							
42	Expenditure comparison table						
43		Expenditure metrics (\$ per):					
44			Electricity Supplied to Customers' Connection Points (\$/MWh)	Maximum coincident system demand (\$/MW)	Connection Point (\$/ICP)	Distribution Transformer Capacity (EDB-Owned) (\$/MVA)	
45		Total circuit length (for Supply) (\$/km)					
46							
47		Capital Expenditure (\$) per	1,365	18	88,205	197	23,714 from FS2 & MP1
48		Operational Expenditure (\$) per	1,595	21	103,006	230	27,693 from FS1 & MP1
49							

Note:

1. Previous year information has been extracted from previous Information Disclosure FY 2008/09, i.e. data for the years 2005/06, 2006/07 and 2007/08 have been calculated with the approach as defined in the Original Requirements. In previous years, no differentiation between "EDB-owned" and "Non-EDB-owned" transformer capacity was made.
2. Current Financial Year information for the line items called "Operational Expenditure Ratio", "Capital Expenditure Ratio", "Return on Investment", "Capital Expenditure Growth Ratio", and "Renewal Expenditure Growth Ratio" is automatically generated due to locked spreadsheet.

12. MP3 - Price and Quality Measures – Total Business

REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

Electricity Distribution Business: **Eastland Network**

For Year Ended: **2010**

Network Name: **Eastland Network Limited - Total Business**

Disclosure: **Annual Disclosure - Requirement 6(1)**

QUALITY

Interruptions

Interruptions by class

Class A	1	planned interruptions by Transpower:
Class B	204	planned interruptions on the network
Class C	293	unplanned interruptions on the network
Class D	5	unplanned interruptions by Transpower
Class E	-	unplanned interruptions of network owned generation
Class F	-	unplanned interruptions of generation (non-network)
Class G	-	unplanned interruptions caused by other electricity industry participant
Class H	-	planned interruptions caused by other electricity industry participant
Total	503	Total of above

Interruption targets for Forecast Year

Class B	200	planned interruptions on the network
Class C	250	unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

Class B	200	planned interruptions on the network
Class C	250	unplanned interruptions on the network

Class C interruptions restored within

≤3Hrs	155
>3hrs	138

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	10.17	in year	2010
The total number of faults forecast for the Forecast Year	8.67	in year	2011
The average annual number of faults forecast for the 5 Forecast Years	8.67	average over years	2011-2015

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
	Yes	No	Yes	Yes	Yes	Yes	No
Is this voltage part of the EDB system?							
Current Financial Year	11.12			-	5.82	2.66	
Forecast Year	9.58			-	8.72	1.66	
Average annual for 5 Forecast Years	9.58			-	8.72	1.66	

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
	Underground	Overhead					
Underground	7.40			-	-	-	
Overhead	11.33			-	5.83	2.66	

Reliability

Overall reliability

Based on the total number of interruptions	SAIDI	SAIFI	CAIDI
	322.73	3.88	83.18

Reliability by interruption class

Class B	SAIDI	SAIFI	CAIDI
Class C	73.61	0.51	144.33
	238.66	2.95	80.90

Targets for Forecast Year

Class B	SAIDI	SAIFI	CAIDI
Class C	43.00	0.20	215.00
	242.00	3.80	63.68

Average targets for 5 Forecast Years

Class B	SAIDI	SAIFI	CAIDI
Class C	43.00	0.20	215.00
	242.00	3.80	63.68

PRICES

Price information by Connection Point Class

	Connection Point Class				Total	
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points		
Gross line charge income (\$000)	21,962	2,080	2,099	1,494	27,635	from FS1
Electricity Supplied to Customers' Connection Points (MWh)	169,538	26,119	42,957	41,212	279,826	from MP1
Number of Connection Points (ICPs) at year end	25,000	327	100	5	25,432	from MP1
Unit Price (cents/kWh)	13.0	8.0	4.9	3.6	9.9	
Relative Unit Price Index	1.00	0.61	0.38	0.28	0.76	

REPORT MP3: PRICE AND QUALITY (cont)

Notes to Price and Quality Measures

89	MP3a: Connection Point Class breakpoints	
90		
91	Connection Point Class breakpoints methodology	kVA based breakpoints
92		
93	kVA based breakpoints - additional disclosure	
94	Breakpoint between small and medium classes	25 kVA
95	Breakpoint between large and medium classes	69 kVA
96		

13. MP3 - Price and Quality Measures – Gisborne

REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

Electricity Distribution Business: **Eastland Network**
For Year Ended: **2010**

Network Name: **Eastland Network Limited - Gisborne**
Disclosure: **Annual Disclosure - Requirement 6(1)**

QUALITY

Interruptions

Interruptions by class

Class A	-	planned interruptions by Transpower:
Class B	176	planned interruptions on the network
Class C	212	unplanned interruptions on the network
Class D	1	unplanned interruptions by Transpower
Class E	-	unplanned interruptions of network owned generation
Class F	-	unplanned interruptions of generation (non-network)
Class G	-	unplanned interruptions caused by other electricity industry participant
Class H	-	planned interruptions caused by other electricity industry participant
Total	389	Total of above

Interruption targets for Forecast Year

Class B	2011	Current Financial Year +1
	170	planned interruptions on the network
Class C	180	unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

Class B	2011-2015	Current Financial Year +1 to +5
	170	planned interruptions on the network
Class C	180	unplanned interruptions on the network

Class C interruptions restored within

≤3Hrs	>3hrs
119	93

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	10.05	in year	2010
The total number of faults forecast for the Forecast Year	8.52	in year	2011
The average annual number of faults forecast for the 5 Forecast Years	8.52	average over years	2011-2015

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
Is this voltage part of the EDB system?	Yes	No	No	No	Yes	No
Current Financial Year	11.14				2.61	
Forecast Year	9.28				3.34	
Average annual for 5 Forecast Years	9.28				3.34	

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
Underground	5.19				-	
Overhead	11.53				2.61	

Reliability

Overall reliability

Based on the total number of interruptions	SAIDI	SAIFI	CAIDI
	244.51	3.27	74.77

Reliability by interruption class

Class B	SAIDI	SAIFI	CAIDI
	82.95	0.57	145.53
Class C	158.25	2.44	64.86

Targets for Forecast Year

Class B	SAIDI	SAIFI	CAIDI
	30.00	0.30	100.00
Class C	237.00	3.80	62.37

Average targets for 5 Forecast Years

Class B	SAIDI	SAIFI	CAIDI
	30.00	0.30	100.00
Class C	237.00	3.80	62.37

PRICES

Price information by Connection Point Class

	Connection Point Class				Total	
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points		
Gross line charge income (\$000)	17,842	1,815	1,650	1,131	22,438	
Electricity Supplied to Customers' Connection Points (MWh)	140,166	22,927	33,043	31,676	227,812	from MP1
Number of Connection Points (ICPs) at year end	20,184	293	84	5	20,566	from MP1
Unit Price (cents/kWh)	12.7	7.9	5.0	3.6	9.8	
Relative Unit Price Index	1.00	0.62	0.39	0.28	0.77	

REPORT MP3: PRICE AND QUALITY (cont)

Notes to Price and Quality Measures

89	MP3a: Connection Point Class breakpoints	
90		
91	Connection Point Class breakpoints methodology	kVA based breakpoints
92		
93	kVA based breakpoints - additional disclosure	
94	Breakpoint between small and medium classes	25 kVA
95	Breakpoint between large and medium classes	69 kVA
96		

14. MP3 - Price and Quality Measures – Wairoa

REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

Electricity Distribution Business: **Eastland Network**

For Year Ended: **2010**

Network Name: **Eastland Network Limited - Wairoa**

Disclosure: **Annual Disclosure - Requirement 6(1)**

QUALITY

Interruptions

Interruptions by class

Class A	1	planned interruptions by Transpower:
Class B	28	planned interruptions on the network
Class C	81	unplanned interruptions on the network
Class D	4	unplanned interruptions by Transpower
Class E	-	unplanned interruptions of network owned generation
Class F	-	unplanned interruptions of generation (non-network)
Class G	-	unplanned interruptions caused by other electricity industry participant
Class H	-	planned interruptions caused by other electricity industry participant
Total	114	Total of above

Interruption targets for Forecast Year

Class B	2011	Current Financial Year +1
	30	planned interruptions on the network
Class C	70	unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

Class B	2011-2015	Current Financial Year +1 to +5
	30	planned interruptions on the network
Class C	70	unplanned interruptions on the network

Class C interruptions restored within

	≤3Hrs	>3hrs
	36	45

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	10.50	in year	2010
The total number of faults forecast for the Forecast Year	9.73	in year	2011
The average annual number of faults forecast for the 5 Forecast Years	9.73	average over years	2011-2015

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
	Yes	No	Yes	Yes	Yes	No	
Is this voltage part of the EDB system?							
Current Financial Year	11.07		-	5.82	3.09		
Forecast Year	10.08		-	8.72	3.09		
Average annual for 5 Forecast Years	10.08		-	8.72	3.09		

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
Underground	20.38		-	-	-	
Overhead	10.80		-	5.83	3.09	

Reliability

Overall reliability

Based on the total number of interruptions	SAIDI	SAIFI	CAIDI
	653.21	6.52	100.19

Reliability by interruption class

Class B	SAIDI	SAIFI	CAIDI
	34.15	0.28	121.96
Class C	578.37	5.13	112.74

Targets for Forecast Year

Class B	SAIDI	SAIFI	CAIDI
	60.00	0.50	120.00
Class C	400.00	4.60	86.96

Average targets for 5 Forecast Years

Class B	SAIDI	SAIFI	CAIDI
	60.00	0.50	120.00
Class C	400.00	4.60	86.96

PRICES

Price information by Connection Point Class

	Connection Point Class				Total
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	
Gross line charge income (\$000)	4,112	265	207	612	5,196
Electricity Supplied to Customers' Connection Points (MWh)	29,371	3,192	3,927	15,524	52,014
Number of Connection Points (ICPs) at year end	4,815	34	12	5	4,866
Unit Price (cents/kWh)	14.0	8.3	5.3	3.9	10.0
Relative Unit Price Index	1.00	0.59	0.38	0.28	0.71

from MP1

from MP1

REPORT MP3: PRICE AND QUALITY (cont)

Notes to Price and Quality Measures

89	MP3a: Connection Point Class breakpoints	
90		
91	Connection Point Class breakpoints methodology	kVA based breakpoints
92		
93	kVA based breakpoints - additional disclosure	
94	Breakpoint between small and medium classes	25 kVA
95	Breakpoint between large and medium classes	69 kVA
96		

15. AM1- Expenditure Forecasts and Reconciliation

REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

ref	Electricity Distribution Business: Eastland Network							
5	For Year Ended 2010							
6	(S000)							
7	A) Five year forecasts of expenditure							
8	<i>From most recent Asset Management Plan</i>							
9		Actual for Current Financial Year	Forecast Years					
10			year 1	year 2	year 3	year 4	year 5	
11	<i>for year ended</i>	2010	2011	2012	2013	2014	2015	
12	Capital Expenditure: Customer Connection	63	90	90	90	90	90	from FS2
13	Capital Expenditure: System Growth	517	1,028	1,278	1,078	978	1,213	from FS2
14	Capital Expenditure: Reliability, Safety and Environment	83	110	160	100	155	90	from FS2
15	Capital Expenditure: Asset Replacement and Renewal	4,005	3,999	4,052	4,257	4,272	4,132	from FS2
16	Capital Expenditure: Asset Relocations	3	50	50	50	50	50	from FS2
17	Subtotal - Capital Expenditure on asset management	4,671	5,277	5,630	5,575	5,545	5,575	
18	Operational Expenditure: Routine and Preventative Maintenance	958	1,537	1,537	1,537	1,337	1,337	from FS1
19	Operational Expenditure: Refurbishment and Renewal Maintenance	144	230	230	230	230	230	from FS1
20	Operational Expenditure: Fault and Emergency Maintenance	1,029	987	987	987	987	987	from FS1
21	Subtotal - Operational Expenditure on asset management	2,131	2,754	2,754	2,754	2,554	2,554	
22	Total direct expenditure on distribution network	6,802	8,031	8,384	8,329	8,099	8,129	
23	Overhead to Underground Conversion Expenditure							
24	<i>The Electricity Distribution Business is to provide the amount of Overhead to Underground Conversion Expenditure included in each of the above Expenditure Categories (explanatory notes can be provided in a separate note if necessary).</i>							
25								
26								
27								
28								
29								
30								
31	B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure							
32		Actual for Current Financial Year	Previous forecast for Current Financial Year	% Variance				
33		(a)	(b)	(a)/(b)-1				
34	Capital Expenditure: Customer Connection	63	100	-37.0%			from row 10	
35	Capital Expenditure: System Growth	517	1,098	-52.9%			from row 11	
36	Capital Expenditure: Reliability, Safety and Environment	83	110	-24.5%			from row 12	
37	Capital Expenditure: Asset Replacement and Renewal	4,005	4,149	-3.5%			from row 13	
38	Capital Expenditure: Asset Relocations	3	50	-94.0%			from row 14	
39	Subtotal - Capital Expenditure on asset management	4,671	5,507	-15.2%				
40								
41	Operational Expenditure: Routine and Preventative Maintenance	958	1,032	-7.2%			from row 17	
42	Operational Expenditure: Refurbishment and Renewal Maintenance	144	243	-40.7%			from row 18	
43	Operational Expenditure: Fault and Emergency Maintenance	1,029	928	10.9%			from row 19	
44	Subtotal - Operational Expenditure on asset management	2,131	2,203	-3.3%				
45								
46	Total direct expenditure on distribution network	6,802	7,710	-11.8%				
47								
48								
49	Explanation of variances							
50	<i>Distribution Business must provide a brief explanation for any line item variance of more than 10%</i>							
51								
52	<i>Explanatory notes (can be provided in a separate note if necessary):</i>							
53	Capex Customer Connection: due to economic downturn less customer connections than forecasted, resulting in underexpenditure against budgeted contingency.							
54	Capex System Growth: two projects (total value \$500k) have been deferred because forecast growth did not occur due to economic downturn.							
55	Capex Reliability, Safety and Environment: delays in obtaining consents resulted in deferral of one project budgeted at \$20k.							
56	Capex: Assets Relocations: third party asset relocation activity did not reach levels forecasted, hence underexpenditure against budgeted contingency.							
57	Opex: Fault and Emergency: overexpenditure of budgeted 11kV line defects/fault repairs as a result of a severe windstorm that caused damage (28-31/08/09).							
58	Opex: Refurbishment & Renewal: deferral of non-operationally critical maintenance to offset faults and emergency overexpenditure.							
59								
60								
61								
62								
63								

IV. Transitional Provisions

Requirement Part 4 14(7)

	2010	2009	2008	2007	2006
Direct line costs per kilometre	960	804	655	799	647
Direct expenditure	3,516,239	2,947,612	2,431,553	2,913,212	2,372,204
System length (km)	3,662	3,665	3,654	3,647	3,667
Indirect line costs per consumer	91	125	98	87	77
Indirect expenditure	2,323,159	3,169,596	2,475,527	2,182,406	1,922,798
Total consumers	25,432	25,300	25,196	24,962	24,864

V. Assumptions and Explanatory Notes

Report/Reference	Data Source	File name/ file location	Query name	Query rules/ Assumptions	Adjustments	Notes	Data location
MP1 (Murray Carman, Ben Gisbon)							
ref. 10-32	GIS	ENLPVAMPQUERIES.mdb	STATS CONDUCTORS SUMMARY CH URBAN RURAL REMOTE RUGGED	* subclass not out and not deinstalled		includes all SPANs for Gisborne and Wairoa (including private lines)	Query results copied to disc line length.xls spreadsheet. Spreadsheet has look up calculation to data
ref. 23-30						rule for putting classifying conductor into urban and rural from GIS are attached	
ref. 34-39	GIS	ENLPVAMPQUERIES.mdb	STATS TRANSFORMERS or STATSTRANSFORMERS zone subs (includes all installed transformers)		to correct from December until April data groundstyle transformers reduced by 28kV or 4895kVA	voltage regulators, step-up transformers and spare single phased units are not included as they do not seem to be included in the rules	data copied to disc: line length 1Apr10.xls
ref. 36	GIS					non EDB captured from items recorded in GIS	
ref. 41-46	GIS, 2004 ODV		macro command: Gis summary/ Filter: Cable11kv ODV (Table) with feeder code <20 , which means it identifies everything that is Gisborne	After identifying all assets according to ODV category, Wairoa assets can be found by assuming All-Gisborne=Wairoa		All data is from the GIS (Microsoft Access database)- ENL ODV engine. Tables used in access were "Z Summary" (shows entire network in ODV category) and "Z GIS Summary" (shows all Gisborne assets in ODV category)	Z:\Network\Information Disclosure\2010 Disclosure\Report MP --> ODV Category for age 2004
ref. 53-68	half hour load data	Z:\systems\scadaddscadaload.mdb	Loads TP data X with Generators by sorting each column maximum				values (totals transferred) are copied to maximum demand 09.xls
ref. 53						equals System total	
ref. 54						equals maximum of Waihi X/ Gen1 to 6	
ref. 56						zero net transfers	
ref. 58						zero	
ref. 61						Diesel Gen 1 to 6	
ref. 62						Waihi only	
ref. 63						zero	
ref. 65						AMP reference load control capability	
ref. 67						AMP reference	
		drawing A1/ 992 Sheet 3			remote defined as anything further away than 75km from Carnavon Street depot	for the definition of Gisborne Wairoa boundary see drawing A1/ 992 Sheet 3	
		drawing A1/ 992 Sheet 1 and 2 respectively			rugged defined as lines with a SPAN length greater than 130m	urban boundaries and for Gisborne and Wairoa see drawing A1/ 992 Sheet 1 and 2 respectively	
MP 3 (Murray Carman and Bruce Easton)							
all	Z:\systems\mth rep.mdb	auto transfers to mthrep.xls reference esa stats sheets				* customer number for esa stats sheets via Bruce Easton * line lengths are updated from the GIS data excluding private	

Report/ Reference	Data Source	File name/ file location	Query name	Query rules/ Assumptions	Adjustments	Notes	Data location
						* average and forecast values via AMP	
ref. 54-68		ENL ALL AM Reports v001				Total of all reliability numbers do not equal the sum of GIS and WRA due to the calculation of SAIDI, SAIFI and CAIDI (ratio calculation)	
ref 70-81	Gentrack	Z:\Network\Information Disclosure\2010 Disclosure\ReportMP\	period selected: 01/04/09 - 31/03/2010		* customer groups were banded according to rules for Wairoa and Gisborne	*all data is extracted from Gentrack which creates a CSV file. From there three XLS files and pivot tables are created accordingly * largest customer group (total business) consists of 4 from Gisborne and 1 from Wairoa	
ref 78		Kwhs GIS0501 1.4.09 to 31.3.10.xls Kwhs Master 1.4.09 to 31.3.10.xls Kwhs WRA0111 1.4.07 to 31.3.08.xls				* ICP number at the year does not reflect the amount of ICPs that have come on and off within the year. However, they do affect the Gross line charge income (ref 76)	
AV - all (Haley Stewart)							
				disposals: unless they have an replacement date, the disposal date is assumed to be year end			
				depreciation= (PYR closing balance+TYR uplift) / remaining life	if the remaining life equals "3", no depreciation calculation		
				additions: if the depreciation start date is 1 April - recognised additions in prior year as installed earlier but not loaded in Dbit until after year end			
AV 1 (Haley Stewart)							
all	Financial Register				* base data from 2004 ODV and respective ODV schedules as of 1 April 2004	* accounting depreciation from 2005 (matches actual 2008 requirements) * depreciation rate is calculated using residual life of assets	
ref. 15 -16						* valued at ODV 2004 p.266 and p.269	
AV 2 (Haley Stewart)							
ref 13	numbers from ODV 2004						
AV 3 (Haley Stewart)							
all	Financial Register				* 2004 ODV values for Replacement cost are indexed up		
FS 1 (Haley Stewart)							
ref. 8-45	General Ledger as of 31 March 2010					* ACAM used to identify all ENL staff	
Transitional provisions Part 4 14(8)							
	Information Disclosure 2009/10					*numbers according to old and new definition of System lengths are equal because private lines have not been included in the past as well	

VI. Auditor's Reports

16. Auditor's Report



AUDITOR'S INDEPENDENT ASSURANCE REPORT

TO THE BOARD OF DIRECTORS OF EASTLAND NETWORK LIMITED

REPORT ON EASTLAND NETWORK LIMITED'S COMPLIANCE WITH THE ELECTRICITY DISTRIBUTION (INFORMATION DISCLOSURE) REQUIREMENTS 2008 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2010

The Auditor-General is the auditor of Eastland Network Limited (the Company). The Auditor-General has appointed me, Graham Naylor, using the staff and resources of Deloitte to provide an opinion on the compliance of the attached reports on pages 4 to 25 prepared by the Company with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements), on her behalf, for the financial year ended 31 March 2010. In this independent assurance report the attached reports are called the 'disclosure information'.

Respective responsibilities

The Board of Directors is responsible for preparing disclosure information which complies with the Requirements.

Clause 10 of the Requirements requires the Auditor-General to provide an opinion that the disclosure information prepared by the Company complies with and is presented in all material respects in accordance with the Requirements for the financial year ended 31 March 2010.

Limitations and use of this independent assurance report

This independent assurance report has been prepared solely to discharge the Auditor-General's responsibilities under the Requirements for the financial year ended 31 March 2010. This independent assurance report is not intended to be used for any purposes, other than that for which it was prepared.

Material misstatements, whether caused by fraud or error, are differences or omissions of amounts and disclosures that would affect a user's overall understanding of the disclosure information prepared by the Company.

Because of the inherent limitations in evidence gathering procedures, it is possible that fraud, error or non-compliance may occur and not be detected. As the procedures performed for this engagement are not performed continuously throughout the financial year and the procedures performed in respect of the Company's compliance with the Requirements are undertaken on a test basis, our engagement cannot be relied on to detect all instances where the Company may not have complied with the Requirements. Our opinion has been formed on the above basis.

Basis of opinion

The Company's financial statements and Threshold Compliance Statements prepared pursuant to the Commerce Act (Electricity Lines Thresholds) Notice 2004 for the year ended 31 March 2010 have been subject to audit. The audit opinions on the financial statements and Threshold Compliance Statements of the Company for the year ended 31 March 2010 were unqualified and were dated 26th May 2010 and 19th May 2010 respectively.

Our work has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information complies with and has been presented in all material respects in accordance with the Requirements. We also included an assessment of the significant estimates and judgements, if any, made by the Company in the preparation of the disclosure information.

Historical financial and non-financial information

We conducted the engagement in accordance with the Standard on Assurance Engagements (New Zealand) 3100: *Compliance Engagements* issued by the New Zealand Institute of Chartered Accountants.

Our work in respect of amounts and disclosures that were audited under the financial statement and Threshold Compliance Statement audits has been limited to agreeing the amounts and disclosures to the underlying records and audited financial statements or Threshold Compliance Statements of the Company.

Our work in respect of amounts and disclosures that were not audited under the financial statement and Threshold Compliance Statement audits, has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information has been presented in all material respects in accordance with the Requirements.

Prospective financial and non-financial information

Our work has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2010 and the immediately preceding financial year, and that the information has been calculated based on source data provided by the Company, whilst acknowledging it is likely that actual results will vary from those forecasted, since anticipated events frequently do not occur as expected (and those variations may be significant). We have not performed audit procedures on the source data.

Independence

When carrying out the engagement we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants. We also complied with the Independent auditor provisions on independence, as specified in clause 2(1) of the Requirements.

Other than the engagement and the annual audit of the Company's financial statements and Threshold Compliance Statements carried out on behalf of the Auditor-General, we have no relationship with or interests in the Company.

Unqualified opinions

We have obtained all the information and explanations we have required.

In our opinion:

- The Company has kept proper records to enable the complete and accurate compilation of required information, in all material respects, as far as appears from our examination of those records; and
- The disclosure information prepared by the Company for the financial year ended 31 March 2010 complies with the Requirements.

Historical Financial and Non-Financial Information

In our opinion, the Company has:

- presented the historical financial information included in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3 and AM1 for the financial year ended 31 March 2010 that complies with the Requirements, in all material respects; and
- compiled the historical non-financial information included in reports MP1, MP2 and MP3 in accordance with the guidance (if any) issued pursuant to the Requirements, and has calculated the historical non-financial information based on un-audited source data provided by the Company.

Prospective Financial and Non-Financial Information

In our opinion, the Company has:

- presented the information in reports AM1 and MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2010 and the immediately preceding financial year; and
- calculated the prospective financial and non-financial information based on un-audited source data provided by the Company.



Graham Naylor
Deloitte
On behalf of the Auditor-General
Hamilton, New Zealand
28 July 2010

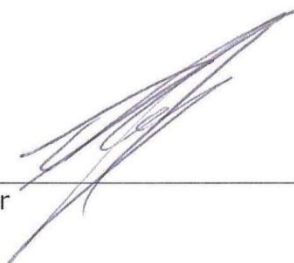
This audit report relates to the Information Disclosure report of Eastland Network Limited's Electricity Lines Business for the year ended 31 March 2010 included on Eastland Network Limited's website. The Board of Directors is responsible for the maintenance and integrity of Eastland Network Limited's website. We have not been engaged to report on the integrity of the Eastland Network Limited's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and related audit report dated 28 July 2010 to confirm the information included in the audited financial statements presented on this website. Legislation in New Zealand governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

VII. Director's Certificates


17. Certificate for Disclosed Information

We, Trevor William Taylor and Shaan Winiata Stevens, directors of Eastland Network Limited certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of Eastland Network Limited prepared for the purposes of requirement 3, 4, 6 and 7(5) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements -

- (i) Report FS1: Regulatory Profit Report;
- (ii) Report FS2: Regulatory Asset and Financing Report;
- (iii) Report FS3: Regulatory Tax Allowance Report;
- (iv) Report AV1: Annual Regulatory Valuation Roll-Forward Report;
- (v) Report AV2: Valuation Disclosure by Asset Class (for System Fixed Assets);
- (vi) Report AV3: System Fixed Assets Replacement Cost Roll-Forward Report;
- (vii) Report AV4: Merger or Acquisition Regulatory Asset Base Disclosure;
- (viii) Report MP1: Network Information Report;
- (ix) Report MP2: Performance Measures Report;
- (x) Report MP3: Price and Quality Report; and
- (xi) Report AM1: Expenditure Forecasts and Reconciliation.



Director



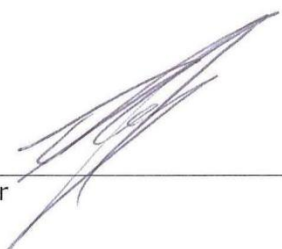
Director *S W Stevens*

28 July 2010


18. Certificate for Valuation Report

We, Trevor William Taylor and Shaan Winiata Stevens, directors of Eastland Network Limited certify that, having made all reasonable enquiry, to the best of our knowledge—

- a) the attached valuation report of Eastland Network Limited prepared for the purposes of requirement 14(3) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements; and
- b) the replacement cost of the line business system fixed assets of Eastland Network Limited is \$187,619,000; and
- c) the depreciated replacement cost of the line business system fixed assets of Eastland Network Limited is \$87,482,000 and
- d) the optimised depreciated replacement cost of the line business system fixed assets of Eastland Network Limited is \$86,184,000 and
- e) the optimised deprival valuation of the line business system fixed assets of Eastland Network Limited is \$86,184,000; and
- f) the values in paragraphs (b) through to (e) have been prepared in accordance with the ODV Handbook (as defined in the Electricity Information Disclosure Requirements 2004). These valuations are as at 31 March 2004.



Director



Director *S W Stevens*

28 July 2010