



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

For the Assessment Period: 1 April 2007- 31 March 2008

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# 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 Ltd
ref		For Year Ended	2008
5			
6	<b>Income</b>		
7			<b>(\$000)</b>
8	Net Line Charge Revenue Received	24,386	
9	plus Discretionary Discounts and Customer Rebates	-	FS1a
10	<b>Gross Line Charge Income</b>		24,386
11			
12			
13	Capital Contributions	214	
14	plus Net Value of Vested Assets	548	
15	<b>Total Capital Contributions and Vested Assets</b>		762
16			
17	AC Loss Rental Rebates Received	893	
18	less AC Loss Rental Rebates Passed On	843	
19	<b>Net AC loss rental income (deficit)</b>		50
20			
21			
22	<b>Other Income</b>	428	
23			428
24			
25	<b>Total regulatory income</b>		25,627
26			
27			
28	<b>Expenses</b>		
29			
30	Transmission Charges - Payments to Transpower	5,639	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	2,444	
32	<b>Total Transmission Costs</b>		8,083
33			
34	<b>Operational Expenditure:</b>		
35	General Management, Administration and Overheads	3,204	
36	System Management and Operations		
37	Routine and Preventative Maintenance		to AM1
38	Refurbishment and Renewal Maintenance		to AM1
39	Fault and Emergency Maintenance	1,703	to AM1
40	Pass-through Costs		
41	Other		
42	<b>Total Operational Expenditure</b>		4,907 to MP2
43			
44			
45	<b>Operational earnings</b>		12,636
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	3,903	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	266	from AV1
50	<b>Total Regulatory Depreciation</b>		4,169 to FS3
51			
52			
53	<b>Earnings before interest and tax (EBIT)</b>		8,468 to FS3
54			
55	less <b>Regulatory Tax Allowance</b>		946 from FS3
56			
57	plus <b>Indexed Revaluation (of System Fixed Assets)</b>	3,403	from AV1
58	plus <b>Revaluations of Non-System Fixed Assets</b>	107	from AV1
59			
60	<b>Regulatory profit / loss (pre-financing and distributions)</b>		11,032 to MP2

**REPORT FS1: REGULATORY PROFIT STATEMENT (cont)**

**Notes to Regulatory Profit Statement**

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

75	<b>FS1b: Related party expenditure - summary</b>		<b>(\$000)</b>
76	Avoided Transmission Charges		
77	Operational Expenditure		
78	Subvention Payment		
79	Other related party expenditure		
80	<b>Total Related Party Expenditure</b>		<b>-</b>
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	<b>FS1c: Operational Expenditure notes</b>		<b>(\$000)</b>
88			
89	<b>Merger and Acquisition Expenses</b>		
90	Merger and Acquisition Expenses (not to be included in Operational Expenditure)		
91			
92	<b>Material items (if greater than 10% of the Operational Expenditure line item)</b>		
93	Material item amount 1		<i>Notes to be provided separately</i>
94	within expenditure category:	Select one	
95			
96	Material item amount 2		<i>Notes to be provided separately</i>
97	within expenditure category:	Select one	
98			
99	Material item amount 3		<i>Notes to be provided separately</i>
100	within expenditure category:	Select one	
101			
102	<i>(further disclosures to be provided on separate page if required)</i>		
103			

106	<b>FS1d: Vested Assets</b>		<b>(\$000)</b>
107	Consideration Paid for Vested Assets		130

110	<b>FS1e: Reclassified items in Operational Expenditure</b>		<b>(\$000)</b>
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			<b>(\$000)</b>
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			<b>(\$000)</b>
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			
	<i>to be repeated as required for multiple reclassifications</i>		

## 2. FS2 - Regulatory Asset & Financing Statement

REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT			
ref	Electricity Distribution Business:	Eastland Network Ltd	
		For Year Ended	2008
5			
6			
7	<b>Capital Expenditure on System Fixed Assets (by primary purpose)</b>		<b>(\$000)</b>
8	Customer Connection	-	to AM1
9	System Growth	-	to AM1
10	Reliability, Safety and Environment	-	to AM1
11	Asset Replacement and Renewal	-	to AM1
12	Asset Relocations	4,379	to AM1
13	<b>Total Capital Expenditure on System Fixed Assets</b>	<b>4,379</b>	to AM1
14			
15			
16	<b>Capital Expenditure on Non-System Fixed Assets</b>	<b>19</b>	from AV1
17			
18			
19	<b>Capital works roll-forward (for System Fixed Assets)</b>		
20	Works Under Construction at Beginning of Year	1,340	
21	plus Total Capital Expenditure on System Fixed Assets	4,379	
22	less Assets Commissioned in Year	1,815	from AV1
23	<b>Works under construction at year end</b>	<b>3,904</b>	
24			
25			
26	<b>Regulatory Investment Value calculation</b>		
27	System Fixed Assets: regulatory value at end of Previous Year	101,081	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	2,565	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	2,476	2.45%
30	<b>Total Regulatory Asset Base value at beginning of Current Financial Year</b>	<b>106,123</b>	
31			
32	plus System Fixed Assets Commissioned in Year	1,815	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	19	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	1,833	
36	<b>Regulatory Asset Base investment in Current Financial Year - average</b>	<b>917</b>	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	<b>Adjustment for merger, acquisition or sale to another EDB</b>	<b>-</b>	from AV4
40			
41	<b>Regulatory Investment Value</b>	<b>107,039</b>	to MP2

### Note:

- Information disclosure requirements Part 4 16(1) for the FY 2007/08 require the disclosure of "Total Capital on System Fixed Assets" only (ref.13). Due to locked spreadsheet, we were unable to fill in that box only, therefore inserted the number in line 12 to meet the requirements.

### 3. FS3 - Regulatory Tax Allowance Calculation

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION		Electricity Distribution Business: <b>Eastland Network Ltd</b>	
ref		For Year Ended	<b>2008</b>
5			
6			
7			<b>(\$000)</b>
8	<b>Earnings before interest and tax (EBIT)</b>		8,468 <i>from FS1</i>
9			
10	<i>add</i> Total Regulatory Depreciation	4,169	<i>from FS1</i>
11	Other Permanent Differences - not deductible	-	
12	Other Temporary Adjustments - Current Period	(43)	
13			4,126
15	<i>less</i> Non Taxable Capital Contributions and Vested Assets	762	
16	Tax Depreciation	5,541	
17	Deductible Discretionary Discounts and Customer Rebates		
18	Deductible Interest	3,425	<i>from row 53</i>
19	Other Permanent Differences - Non Taxable		
20	Other Temporary Adjustments - Prior Period		
21			9,728
22			
23	<b>Regulatory taxable income for Year</b>		<b>2,865</b>
24			
25	<i>less</i> Tax Losses Available at Start of Year		
26	<b>Net taxable income</b>		<b>2,865</b>
27			
28	Statutory Tax Rate	33%	
29	<b>Regulatory Tax Allowance</b>		<b>946</b> <i>to FS1</i>

#### Notes to Regulatory Tax Allowance Calculation

36	<b>FS3a: Description of adjustments classified as "other"</b>
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	1) Increase in fair value of Derivatives (non Taxable) \$34
42	2) Reduction in doubtful debts provision
43	
44	
45	

48	<b>FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)</b>		
49			
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%
51			
52	Standard Cost of Debt Assumption	8.00%	%
53			
54	Deductible Interest	3,425	\$000 <i>to row 18</i>
55			
56	Interest Tax Shield Adjustment	1,130	\$000 <i>to MP2</i>

# 4. AV1 - Annual Regulatory Valuation Roll-Forward Report

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT					
ref	Electricity Distribution Business: <b>Eastland Network</b>				
5	For Year Ended:				<b>2008</b>
6	Year of most recent ODV:				<b>2004</b>
7					
8	(\$'000)				
9		ODV Year +	ODV Year +	ODV Year +	ODV Year +
10		1	2	3	4
11	For Year Ending:	2005	2006	2007	2008
12	<b>System Fixed Assets</b>				
13	Regulatory Value at End of Previous Year*	86,184	90,567	97,606	101,081
14	plus				
15	Assets Commissioned	5,763	8,199	4,998	1,815
16	Gross Value of Vested Assets				678
17	Assets Acquired from (Sold to) a Non-EDB				
18	<b>Asset Additions</b>	5,763	8,199	4,998	2,492
19	plus				
20	Indexed Revaluation	2,322	3,041	2,477	3,403
21	less				
22	Depreciation of System Fixed Assets	3,365	3,515	3,634	3,773
23	Regulatory Value of Assets Decommissioned	336	687	366	130
24	<b>Regulatory Depreciation (incl. value of assets decommissioned)</b>	3,701	4,202	4,000	3,903
25	plus (minus)				
26	Acquisition of System Fixed Assets from another EDB	-	-	-	-
27	less Sale of System Fixed Assets to another EDB	-	-	-	-
28	<b>Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB</b>	-	-	-	-
29	plus (minus)				
30	<b>Net Increase (Decrease) Due to Changes in Asset Register Information</b>				
31					
32					
33	<b>Regulatory Value of System Fixed Assets at Year End</b>	<b>90,567</b>	<b>97,606</b>	<b>101,081</b>	<b>103,074</b>
34					
35	<b>Non-System Fixed Assets</b>				
36	Regulatory value at end of previous year	2,835	2,698	2,671	2,565
37	plus				
38	Asset Additions	151	359	229	19
39	plus Revaluations	30	(32)		107
40	less Depreciation (incl. value of assets decommissioned)	318	355	335	266
41	plus Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-
42	<b>Regulatory Value of Non-System Fixed Assets at Year end</b>	<b>2,698</b>	<b>2,671</b>	<b>2,565</b>	<b>2,425</b>
43					
44					
45	<b>Total Regulatory Asset Base Value (excluding FDC)</b>	<b>93,265</b>	<b>100,277</b>	<b>103,646</b>	<b>105,499</b>
46					
47					
48	* The commencing figure for completing this schedule is the most recent ODV value				
49	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					
57	CPI as at date of ODV				
58		928			
59					
60	For Year Ended	2005	2006	2007	2008
61	CPI at CPI reference date	953	985	1010	1044
62	<b>Revaluation Rate</b>	<b>2.69%</b>	<b>3.36%</b>	<b>2.54%</b>	<b>3.37%</b>
63					<b>0.00%</b>
64	System Fixed Assets: Regulatory Value at End of Previous Year	86,184	90,567	97,606	101,081
65	<b>Indexed Revaluation of System Fixed Assets</b>	<b>2,322</b>	<b>3,041</b>	<b>2,477</b>	<b>3,403</b>

AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB					
68	For Year Ended				
69		2005	2006	2007	2008
70	Acquisition of System Fixed Assets from another EDB				
71	Sale of System Fixed Assets to another EDB				
72	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:		2008
ref		<b>Subtotals by Asset Class (for System Fixed Assets)</b>								
6										
7										
8										
9										
10										
									(\$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	<b>System Fixed Assets</b>									
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	from AV1
14										
15	<b>Cumulative roll-forward since most recent ODV:</b>									
16	Asset Additions								21,452	from AV1
17	Indexed Revaluation (of System Fixed Assets)								11,243	from AV1
18	less Regulatory Depreciation (of System Fixed Assets)								15,805	from AV1
19	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	from AV1
20	Net Increase (Decrease) Due to Changes in Asset Register Information								-	from AV1
21	<b>Regulatory Value of System Fixed Assets at Year End</b>								<b>103,074</b>	from AV1

## 6. AV3 - System Fixed Assets Replacement Cost Roll-Forward Report – 2008

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

ref		Electricity Distribution Business: <b>Eastland Network Ltd</b>	
5		For Year Ended:	<b>2008</b>
6	<b>System Fixed Assets - Replacement Cost</b>		
7		(\$000)	
8	<b>Replacement cost at end of previous year</b>	<b>220,246</b>	
9			
10	Asset Additions	2,492	AV3a
11	Indexed Revaluation (of System Fixed Assets)	7,414	
12	<i>less</i> Replacement Cost of Assets Decommissioned	389	
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information		
15	<b>Replacement cost of System Fixed Assets at year end</b>	<b>229,763</b>	
16			
17			
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>		
19			
20	<b>Depreciated Replacement Cost at end of previous year</b>	<b>101,081</b>	
21			
22	Asset Additions	2,492	AV3a
23	Indexed Revaluation (of System Fixed Assets)	3,403	
24	<i>less</i> Depreciation of Replacement Cost	3,773	
25	<i>less</i> Depreciated Replacement Cost of Assets Decommissioned	130	
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information		
28	<b>Depreciated replacement cost of System Fixed Assets at year end</b>	<b>103,074</b>	

### REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (con

#### Notes to Price and Quality Measures

36	<b>AV3a: New Asset Additions</b>		
37			
38	Asset Additions - Depreciated Replacement Cost	2,492	from AV1
39	<i>plus</i> Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions		
40			
41	<b>Asset Additions - Replacement Cost</b>	<b>2,492</b>	
42			

## 7. AV3 - System Fixed Assets Replacement Cost Roll-Forward Report – 2007

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

ref		Electricity Distribution Business:	Eastland
		For Year Ended:	2007
5			
6	<b>System Fixed Assets - Replacement Cost</b>		
7			<b>(\$000)</b>
8	Replacement cost at end of previous year		211,331
9			
10	Asset Additions		4,998
11	Indexed Revaluation (of System Fixed Assets)		5,364
12	less Replacement Cost of Assets Decommissioned		1,447
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		-
14	Net Increase (Decrease) Due to Changes in Asset Register Information		-
15	<b>Replacement cost of System Fixed Assets at year end</b>		<b>220,246</b>
16			
17			
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>		
19			
20	Depreciated Replacement Cost at end of previous year		97,606
21			
22	Asset Additions		4,998
23	Indexed Revaluation (of System Fixed Assets)		2,477
24	less Depreciation of Replacement Cost		3,634
25	less Depreciated Replacement Cost of Assets Decommissioned		366
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		-
27	Net Increase (Decrease) Due to Changes in Asset Register Information		-
28	<b>Depreciated replacement cost of System Fixed Assets at year end</b>		<b>101,081</b>

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

#### Notes to Price and Quality Measures

36	<b>AV3a: New Asset Additions</b>		
37			
38	Asset Additions - Depreciated Replacement Cost		4,998
39	plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions		
40			
41	<b>Asset Additions - Replacement Cost</b>		<b>4,998</b>
42			

## 8. AV3 - System Fixed Assets Replacement Cost Roll-Forward Report – 2006

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

ref		Electricity Distribution Business:	Eastland	
		For Year Ended:	2006	
5				
6	<b>System Fixed Assets - Replacement Cost</b>			
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>			
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	<b>AV3a: New Asset Additions</b>			
37				
38				
39				
40				
41				
42				

# 9. AV3 - System Fixed Assets Replacement Cost Roll-Forward Report – 2005

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

ref	Electricity Distribution Business:	Eastland	
5			For Year Ended: 2005
6	<b>System Fixed Assets - Replacement Cost</b>		
7			<b>(\$000)</b>
8		<b>Replacement cost at end of previous year</b>	187,619
9			
10		Asset Additions	5,764 AV3a
11		Indexed Revaluation (of System Fixed Assets)	5,054
12	less	Replacement Cost of Assets Decommissioned	665
13		Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	- from AV4
14		Net Increase (Decrease) Due to Changes in Asset Register Information	-
15		<b>Replacement cost of System Fixed Assets at year end</b>	<b>197,772</b>
16			
17			
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>		
19			
20		<b>Depreciated Replacement Cost at end of previous year</b>	86,184
21			
22		Asset Additions	5,763 AV3a
23		Indexed Revaluation (of System Fixed Assets)	2,322
24	less	Depreciation of Replacement Cost	3,365
25	less	Depreciated Replacement Cost of Assets Decommissioned	336
26		Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	- from AV4
27		Net Increase (Decrease) Due to Changes in Asset Register Information	-
28		<b>Depreciated replacement cost of System Fixed Assets at year end</b>	<b>90,568</b>

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

### Notes to Price and Quality Measures

36	<b>AV3a: New Asset Additions</b>		
37			
38		Asset Additions - Depreciated Replacement Cost	5,763 from AV1
39	plus	Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	
40			
41		<b>Asset Additions - Replacement Cost</b>	<b>5,763</b>
42			

# 10.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 Ltd

6 Disclosure required? (YES or NIL DISCLOSURE): NO DISCLOSURE REQUIRED

As at (date): 31/03/2008

Proportion of year following transfer of assets: 0%

### 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 <b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								-
17 <b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								-
19 <b>Most recent ODV value</b>	-	-	-	-	-	-	-	-

### 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 <b>Cumulative roll-forward since most recent ODV:</b>			
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 <b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
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 <b>Adjustment for merger, acquisition or sale to another EDB</b>	-	-	to FS2

### 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		-

Signed by: Selling Entity

Acquiring Entity

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

Electricity Distribution Business: Eastland Network Ltd

6 Disclosure required? (YES or NIL DISCLOSURE): NO DISCLOSURE REQUIRED

7  
8 As at (date): 31/03/2008  
9 Proportion of year following transfer of assets 0%  
10  
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 <b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								-
17 <b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								-
19 <b>Most recent ODV Value</b>	-	-	-	-	-	-	-	-

20 **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)
21 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		-
22 <b>Cumulative roll-forward since most recent ODV:</b>			
23 Asset Additions			
24 Indexed Revaluation (of System Fixed Assets)			
25 less Regulatory Depreciation (of System Fixed Assets)			
26 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
27 Net Increase (Decrease) Due to Changes in Asset Register Information			
28 <b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
29 Acquisition of Assets from Another EDB	-	-	to AV1
30 Sale of Assets to Another EDB	-	-	to AV1
31 RAB Value of Transferred Assets at Transfer Date	-		
32 "p" factor (proportion of year following transfer of assets)	0%		
33 <b>Adjustment for merger, acquisition or sale to another EDB</b>		-	to FS2

34 **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
35 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC	-	-
36 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC	-	-

37 Signed by:  Selling Entity

38 Acquiring Entity

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

Electricity Distribution Business: **Eastland Network Ltd**

6 Disclosure required? (YES or NIL DISCLOSURE): **NO DISCLOSURE REQUIRED**

7  
8 As at (date): **31/03/2008**  
9 Proportion of year following transfer of assets **0%**  
10  
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 <b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								-
17 <b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								-
19 <b>Most recent ODV Value</b>	-	-	-	-	-	-	-	-

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 <b>Cumulative roll-forward since most recent ODV:</b>			
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 <b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
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 <b>Adjustment for merger, acquisition or sale to another EDB</b>		-	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		- to AV3
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		- to AV3

50  
51  
52 Signed by: Selling Entity \_\_\_\_\_  
53  
54 Acquiring Entity \_\_\_\_\_  
55  
56  
57

# 11. MP1 - Network Information – Total Business

## REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref		Electricity Distribution Business:	Eastland Network Ltd	
6			For Year Ended: 2008	
7	Network Name:	Eastland Network Ltd Total Business (enter "Total Business" or name of network)		
9	Disclosure:	Annual Disclosure - Requirement 6(1)		
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>			
		Overhead (km)	Underground (km)	Total (km)
12	> 66kV	-	-	-
13	50kV & 66kV	300	1	302
14	33kV	34	1	35
15	SWER (all SWER voltages)	1	-	1
16	22kV (other than SWER)	-	-	-
17	6.6kV to 11kV (inclusive - other than SWER)	2,413	134	2,546
18	Low Voltage (< 1kV)	546	224	769
19	<b>Total circuit length (for Supply)</b>	<b>3,294</b>	<b>359</b>	<b>3,653</b>
20				to MP2
21	<b>Dedicated Street Lighting Circuit Length</b>		9	9
22				
23	<b>Overhead Circuit Length by Terrain (at year end)</b>			
		(km)	(%)	
24	Urban (only)	182	6%	
25	Rural (only)	1,760	53%	
26	Remote (only)	386	12%	
27	Rugged (only)	5	0%	
28	Rural & rugged (only)	692	21%	
29	Remote & rugged (only)	269	8%	
30	Unallocated overhead lines	-	0%	
31	<b>Total overhead length</b>	<b>3,294</b>	<b>100%</b>	
32				
33				
34	<b>Transformer capacity (at year end)</b>			
35	Distribution Transformer Capacity (EDB Owned)	202	MVA	191
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	27	MVA	16
37	<b>Total Distribution Transformer Capacity</b>	<b>229</b>	<b>MVA (to MP2)</b>	<b>207</b>
38				
39	Zone Substation Transformer Capacity	158	MVA	148
40				
41	<b>System Fixed Assets age (at year end)</b>			
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	56%	%	
45				
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	38%	%	
47				
48				
49				
50				
51	<b>Electricity demand</b>			
52		Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)	
53	<b>GXP Demand</b>	<b>50</b>	<b>54</b>	
54	plus Embedded Generation Output at HV and Above	8		
55	<b>Maximum System Demand</b>	<b>58</b>		
56	less Net Transfers to (from) Other EDBs at HV and Above			
57	<b>Demand on system for supply to customers' Connection Points</b>	<b>58</b>		
58	less Subtransmission Customers' Connection Point Demand			
59	<b>Maximum Distribution Transformer Demand</b>	<b>58</b>		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	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	<b>3</b>		
66				
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	<b>1.1</b>	% p.a.	
68				
69	<b>Electricity volumes carried</b>			
		(GWh)		
70	Electricity Supplied from GXPs	294		
71	less Electricity Exports to GXPs			
72	plus Electricity Supplied from Embedded Generators	9		
73	less Net Electricity Supplied to (from) Other EDBs			
74	<b>Electricity entering system for supply to customers' Connection Points</b>	<b>303</b>		
75	less Electricity Supplied to Customers' Connection Points	284		to MP2
76	<b>Electricity Losses (loss ratio)</b>	<b>20</b>	<b>6.5%</b>	%
77				
78	Electricity Supplied to Customers' Connection Points	284		
79	less Electricity Supplied to Largest 5 Connection Points	47		
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	<b>237</b>	<b>83%</b>	%
81				
82	<b>Load Factor</b>	<b>60%</b>	%	
83				
84	<b>Number of Connection Points (at year end)</b>	<b>25,196</b>	ICPs	to MP2
85				
86	<b>Intensity of service requirements</b>			
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	16	kW/km	
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	78	MWh/km	
89	Connection Point Density (ICPs / Total circuit length)	7	ICP/km	
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	11,260	kWh/ICP	

# 11.MP1-Network Information – Gisborne

## REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref		Electricity Distribution Business:	Eastland
6			
7	Network Name:	Eastland Network Ltd. Gisborne	For Year Ended: 2008
9	Disclosure:	Annual Disclosure - Requirement 6(1)	(enter "Total Business" or name of network)
10			
11	<b>Circuit Length by Operating Line Voltage (at year end)</b>	<b>Overhead (km)</b>	<b>Underground (km)</b>
12	> 66kV	-	-
13	50kV & 66kV	268	1
14	33kV	-	-
15	SWER (all SWER voltages)	-	-
16	22kV (other than SWER)	-	-
17	6.6kV to 11kV (inclusive - other than SWER)	1,728	113
18	Low Voltage (< 1kV)	407	178
19	<b>Total circuit length (for Supply)</b>	<b>2,403</b>	<b>293</b>
20			
21	<b>Dedicated Street Lighting Circuit Length</b>	-	8
22			
23	<b>Overhead Circuit Length by Terrain (at year end)</b>	<b>(km)</b>	<b>(%)</b>
24	Urban (only)	159	7%
25	Rural (only)	1,394	58%
26	Remote (only)	302	13%
27	Rugged (only)	5	0%
28	Rural & rugged (only)	432	18%
29	Remote & rugged (only)	112	5%
30	Unallocated overhead lines	-	0%
31	<b>Total overhead length</b>	<b>2,403</b>	<b>100%</b>
32			
33			
34	<b>Transformer capacity (at year end)</b>		<b>Previous Year</b>
35	Distribution Transformer Capacity (EDB Owned)	162 MVA	155
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	18 MVA	8
37	<b>Total Distribution Transformer Capacity</b>	<b>179 MVA (to MP2)</b>	<b>163</b>
38			
39	Zone Substation Transformer Capacity	155	145
40			
41	<b>System Fixed Assets age (at year end)</b>		
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	55% %	
45			
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	36% %	
47			
48			
49			
50			
51	<b>Electricity demand</b>	<b>Maximum coincident system demand (MW)</b>	<b>non-coincident Sum of maximum demand (MW)</b>
52			
53	<b>GXP Demand</b>	42	44
54	plus Embedded Generation Output at HV and Above	5	
55	<b>Maximum System Demand</b>	47	
56	less Net Transfers to (from) Other EDBs at HV and Above		
57	<b>Demand on system for supply to customers' Connection Points</b>	47	
58	less Subtransmission Customers' Connection Point Demand		-
59	<b>Maximum Distribution Transformer Demand</b>	47	
60			to MP2
61	GXP Demand not Supplied at Subtransmission Level		
62	Embedded Generation Output - Connected to Subtransmission System		
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only		
64			
65	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	3	
66			
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	1.0 % p.a.	
68			
69	<b>Electricity volumes carried</b>	<b>(GWh)</b>	
70	Electricity Supplied from GXPs	247	
71	less Electricity Exports to GXPs	-	
72	plus Electricity Supplied from Embedded Generators	1	
73	less Net Electricity Supplied to (from) Other EDBs	-	
74	<b>Electricity entering system for supply to customers' Connection Points</b>	247	
75	less Electricity Supplied to Customers' Connection Points	232	
76	<b>Electricity Losses (loss ratio)</b>	15	6.1% %
77			
78	Electricity Supplied to Customers' Connection Points	232	
79	less Electricity Supplied to Largest 5 Connection Points	38	
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	194	84% %
81			
82	<b>Load Factor</b>	60% %	
83			
84	<b>Number of Connection Points (at year end)</b>	20,315 ICPs	to MP2
85			
86	<b>Intensity of service requirements</b>		
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)	86 MWh/km	
89	Connection Point Density (ICPs / Total circuit length)	8 ICP/km	
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	11,424 kWh/ICP	

# 12.MP1 - Network Information - Wairoa

## REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref		Electricity Distribution Business:	Eastland	
6			For Year Ended: 2008	
7	Network Name:	Eastland Network Wairoa		(enter "Total Business" or name of network)
9	Disclosure:	Annual Disclosure - Requirement 6(1)		
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>			
11		Overhead (km)	Underground (km)	Total (km)
12	> 66kV	-	-	-
13	50kV & 66kV	32		32
14	33kV	34	0	34
15	SWER (all SWER voltages)	1		1
16	22kV (other than SWER)			-
17	6.6kV to 11kV (inclusive - other than SWER)	684	20	704
18	Low Voltage (< 1kV)	139	46	185
19	<b>Total circuit length (for Supply)</b>	<b>891</b>	<b>66</b>	<b>956</b>
20				to MP2
21	<b>Dedicated Street Lighting Circuit Length</b>	-	1	1
22				
23	<b>Overhead Circuit Length by Terrain (at year end)</b>			
24		(km)	(%)	
25	Urban (only)	23	3%	
26	Rural (only)	367	41%	
27	Remote (only)	83	9%	
28	Rugged (only)	-	0%	
29	Rural & rugged (only)	260	29%	
30	Remote & rugged (only)	157	18%	
31	Unallocated overhead lines	-	0%	
32	<b>Total overhead length</b>	<b>891</b>	<b>100%</b>	
33				
34	<b>Transformer capacity (at year end)</b>			
35	Distribution Transformer Capacity (EDB Owned)	40	MVA	36
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	9	MVA	8
37	<b>Total Distribution Transformer Capacity</b>	<b>49</b>	<b>MVA (to MP2)</b>	<b>44</b>
38				
39	Zone Substation Transformer Capacity	3	MVA	3
40				
41	<b>System Fixed Assets age (at year end)</b>			
42	Average Age of System Fixed Assets	30	Years	
43	Average Expected Total Life of System Fixed Assets	51	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	47%	%	
47				
48				
49				
50				
51	<b>Electricity demand</b>			
52			<b>Maximum coincident</b>	<b>non-coincident</b>
53			<b>system</b>	<b>Sum of maximum</b>
54			<b>demand (MVA)</b>	<b>demand (MW)</b>
55	<i>plus</i> <b>GXP Demand</b>	7		10
56	Embedded Generation Output at HV and Above	4		
57	<b>Maximum System Demand</b>	<b>11</b>		
58	<i>less</i> Net Transfers to (from) Other EDBs at HV and Above	-		
59	<b>Demand on system for supply to customers' Connection Points</b>	<b>11</b>		
60	<i>less</i> Subtransmission Customers' Connection Point Demand	-		
61	<b>Maximum Distribution Transformer Demand</b>	<b>11</b>		
62				to MP2
63	GXP Demand not Supplied at Subtransmission Level	7		
64	Embedded Generation Output - Connected to Subtransmission System	-		
65	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-		
66	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	-		
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	0.1	% p.a.	
68				
69	<b>Electricity volumes carried</b>			
70		(GWh)		
71	Electricity Supplied from GXPs	47		
72	<i>less</i> Electricity Exports to GXPs	-		
73	<i>plus</i> Electricity Supplied from Embedded Generators	9		
74	<i>less</i> Net Electricity Supplied to (from) Other EDBs			
75	<b>Electricity entering system for supply to customers' Connection Points</b>	<b>56</b>		
76	<i>less</i> Electricity Supplied to Customers' Connection Points	52		
77	<b>Electricity Losses (loss ratio)</b>	<b>5</b>	<b>8.3%</b>	
78				to MP2
79	Electricity Supplied to Customers' Connection Points	52		
80	<i>less</i> Electricity Supplied to Largest 5 Connection Points	15		
81	<b>Electricity supplied other than to Largest 5 Connection Points</b>	<b>37</b>	<b>71%</b>	
82				
83	<b>Load Factor</b>	<b>58%</b>	%	
84	<b>Number of Connection Points (at year end)</b>	<b>4,881</b>	ICPs	to MP2
85				
86	<b>Intensity of service requirements</b>			
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	12	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)	10,580	kWh/ICP	

# 13.MP2 - Performance Measures

## REPORT MP2: PERFORMANCE MEASURES

ref	Electricity Distribution Business: <b>Eastland Network Ltd</b>				
	For Year Ended: <b>2008</b>				
	Previous Years:			Current Financial Year	
	Current Yr - 3	Current Yr - 2	Current Yr - 1		
5					
6	<b>Performance comparators</b>				
7					
8					
9	<b>Operational expenditure ratio</b>				
10				5	\$m from FS1
11				230	\$m from AV3
12				2.14%	
13					
14	<b>Capital expenditure ratio</b>				
15				4	\$m from FS2
16				230	\$m from AV3
17				1.91%	
18					
19	<b>Capital expenditure growth ratio</b>				
20				-	\$m from FS2
21				22	MVA from MP1
22				-	\$/kVA
23					
24	<b>Renewal expenditure ratio</b>				
25				-	\$m from FS1 & 2
26				4	\$m from AV1
27				0%	
28					
29	<b>Distribution Transformer Capacity Utilisation</b>				
30		56	56	59	58 MW from MP1
31		198	201	207	229 kVA from MP1
32		28.3%	27.9%	28.5%	25.3%
33					
34	<b>Return on Investment</b>				
35				11	\$m from FS1
36				1	\$m from FS3
37		-	-	10	\$m
38				107	\$m from FS2
39				9.25%	
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	<b>Expenditure comparison table</b>				
43					
44	<b>Expenditure metrics (\$ per):</b>				
45		<b>Electricity Supplied to Customers' Connection Points</b>	<b>Maximum coincident system demand</b>	<b>Connection Point</b>	<b>Distribution Transformer Capacity (EDB-Owned)</b>
46	<b>Total circuit length (for Supply)</b>	<b>(\$/MWh)</b>	<b>(\$/MW)</b>	<b>(\$/ICP)</b>	<b>(\$/MVA)</b>
47	<b>Capital Expenditure (\$ per)</b>	1,204	75,950	175	21,770 from FS2 & MP1
48	<b>Operational Expenditure (\$ per)</b>	1,343	84,751	195	24,292 from FS1 & MP1
49					

### Note:

1. Previous year information has been extracted from previous Information Disclosure FY 2006/07, i.e. data for those years has 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.

# 14. 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: **2008**

Network Name: **Eastland Network Ltd Total Business**  
Disclosure: **Annual Disclosure - Requirement 6(1)**

### QUALITY

#### Interruptions

##### Interruptions by class

Class A	1	planned interruptions by Transpower:
Class B	110	planned interruptions on the network
Class C	217	unplanned interruptions on the network
Class D	3	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
<b>Total</b>	<b>331</b>	<b>Total of above</b>

##### Interruption targets for Forecast Year

Class B	2009	Current Financial Year +1
Class C	130	planned interruptions on the network
	250	unplanned interruptions on the network

##### Average interruption targets for 5 Forecast Years

Class B	2009-2013	Current Financial Year +1 to +5
Class C	130	planned interruptions on the network
	250	unplanned interruptions on the network

##### Class C interruptions restored within

	≤3Hrs	>3hrs
	137	80

#### Faults

##### Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	7.53	in year	2008
The total number of faults forecast for the Forecast Year	8.67	in year	2009
The average annual number of faults forecast for the 5 Forecast Years	8.67	average over years	2009-2013

##### Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SW	22kV non-SW	SW	33kV	50kV & 66kV	>66kV
Is this voltage part of the EDB system?	Yes	No	No	Yes	Yes	No
Current Financial Year	8.21			2.91	2.32	
Forecast Year	9.58			2.91	1.66	
Average annual for 5 Forecast Years	9.58			2.91	1.66	

##### Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SW	22kV non-SW	SW	33kV	50kV & 66kV	>66kV
Underground	6.76	-	-	0.07	-	
Overhead	8.29	-	-	2.91	2.33	

#### Reliability

##### Overall reliability

Based on the total number of interruptions	SAIDI	SAIFI	CAIDI
	258.13	4.00	64.50

##### Reliability by interruption class

Class B	SAIDI	SAIFI	CAIDI
Class C	213.43	3.68	57.94

##### 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)	19,293	1,717	1,882	1,494	24,386	from FS1
Electricity Supplied to Customers' Connection Points (MWh)	165,999	26,363	43,968	47,388	283,718	from MP1
Number of Connection Points (ICPs) at year end	24,791	303	97	5	25,196	from MP1
Unit Price (cents/kWh)	11.6	6.5	4.3	3.2	8.6	
Relative Unit Price Index	1.00	0.56	0.37	0.27	0.74	

**REPORT MP3: PRICE AND QUALITY (cont)**

**Notes to Price and Quality Measures**

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

# 15.MP3 - Price and Quality Measures – Gisborne

## REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

ref	Electricity Distribution Business: <b>Eastland</b>	
6	For Year Ended: <b>2008</b>	
7	Network Name: <b>Eastland Network Ltd - Gisborne</b>	
8	Disclosure: <b>Annual Disclosure - Requirement 6(1)</b>	
9	<b>QUALITY</b>	
10	<b>Interruptions</b>	
11	<b>Interruptions by class</b>	
12	Class A	- planned interruptions by Transpower:
13	Class B	96 planned interruptions on the network
14	Class C	169 unplanned interruptions on the network
15	Class D	1 unplanned interruptions by Transpower
16	Class E	- unplanned interruptions of network owned generation
17	Class F	- unplanned interruptions of generation (non-network)
18	Class G	- unplanned interruptions caused by other electricity industry participant
19	Class H	- planned interruptions caused by other electricity industry participant
20	<b>Total</b>	<b>266 Total of above</b>
21	<b>Interruption targets for Forecast Year</b>	
22	Class B	2009 100 planned interruptions on the network
23	Class C	180 unplanned interruptions on the network
24	<b>Average interruption targets for 5 Forecast Years</b>	
25	Class B	2009-2013 100 planned interruptions on the network
26	Class C	180 unplanned interruptions on the network
27	<b>Class C interruptions restored within</b>	
28	≤3Hrs	>3hrs
29	106	63
30	<b>Faults</b>	
31	<b>Faults per 100 circuit kilometres</b>	
32	The total number of faults for Current Financial Year	8.01 in year 2008
33	The total number of faults forecast for the Forecast Year	8.53 in year 2009
34	The average annual number of faults forecast for the 5 Forecast Years	8.53 average over years 2009-2013
35	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>	
36		6.6kV & 11kV non-SWER
37		22kV non-SWER
38		SWER
39		33kV
40		10kV & 66kV
41		>66kV
42	Is this voltage part of the EDB system	Yes
43	Current Financial Year	8.79
44	Forecast Year	9.29
45	Average annual for 5 Forecast Years	9.29
46	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>	
47		6.6kV & 11kV non-SWER
48		22kV non-SWER
49		SWER
50		33kV
51		10kV & 66kV
52		>66kV
53	Underground	7.07
54	Overhead	8.91
55	<b>Reliability</b>	
56	<b>Overall reliability</b>	
57	Based on the total number of interruptions	SAIDI 246.20 SAIFI 4.24 CAIDI 58.04
58	<b>Reliability by interruption class</b>	
59	Class B	SAIDI 27.15 SAIFI 0.22 CAIDI 123.46
60	Class C	SAIDI 216.65 SAIFI 3.98 CAIDI 54.56
61	<b>Targets for Forecast Year</b>	
62	Class B	SAIDI 30.00 SAIFI 0.30 CAIDI 100.00
63	Class C	SAIDI 237.00 SAIFI 3.80 CAIDI 62.30
64	<b>Average targets for 5 Forecast Years</b>	
65	Class B	SAIDI 30.00 SAIFI 0.30 CAIDI 100.00
66	Class C	SAIDI 237.00 SAIFI 3.80 CAIDI 62.30
67	<b>PRICES</b>	
68	<b>Price information by Connection Point Class</b>	
69	<b>Connection Point Class</b>	
70		Small Connection Points
71		Medium Connection Points
72		Large Connection Points
73		Largest 5 Connection Points
74		Total
75	Gross line charge income (\$000)	15,595
76	Quantity Supplied to Customers' Connection Points (MWh)	136,554
77	Number of Connection Points (ICPs) at year end	19,957
78	Unit Price (cents/kWh)	11.4
79	Relative Unit Price Index	1.00
80		1,467
81		1,503
		34,676
		80
		5
		1,168
		23,129
		273
		6.3
		0.56
		4.3
		0.38
		3.1
		0.27
		19,733
		232,076
		20,315
		8.5
		0.74

## REPORT MP3: PRICE AND QUALITY (cont)

### Notes to Price and Quality Measures

89 **MP3a: Connection Point Class breakpoints**

90

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**Connection Point Class breakpoints methodology**

kVA based breakpoints

**kVA based breakpoints - additional disclosure**

Breakpoint between small and medium classes

25 kVA

Breakpoint between large and medium classes

69 kVA

# 16. MP3 - Price and Quality Measures - Wairoa

## REPORT MP3: PRICE & QUALITY MEASURES (Separate report required for each Non-contiguous Network)

Electricity Distribution Business: **Eastland**  
For Year Ended: **2008**

Network Name: **Eastland Network Ltd - Wairoa**  
Disclosure: **Annual Disclosure - Requirement 6(1)**

### QUALITY

#### Interruptions

##### Interruptions by class

Class A	1	planned interruptions by Transpower:
Class B	14	planned interruptions on the network
Class C	48	unplanned interruptions on the network
Class D	2	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
<b>Total</b>	<b>65</b>	<b>Total of above</b>

##### Interruption targets for Forecast Year

	<b>2009</b>	<b>Current Financial Year +1</b>
Class B	25	planned interruptions on the network
Class C	80	unplanned interruptions on the network

##### Average interruption targets for 5 Forecast Years

	<b>2009-2013</b>	<b>Current Financial Year +1 to +5</b>
Class B	25	planned interruptions on the network
Class C	80	unplanned interruptions on the network

##### Class C interruptions restored within

	<b>≤3Hrs</b>	<b>&gt;3hrs</b>
	31	17

#### Faults

##### Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	6.22	in year	2008
The total number of faults forecast for the Forecast Year	9.72	in year	2009
The average annual number of faults forecast for the 5 Forecast Years	9.72	average over years	2009-2013

##### Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV (0kV & 66kV)		>66kV	
	Yes	No			Yes	No		
Is this voltage part of the EDB system								
Current Financial Year	6.67				2.91	-		
Forecast Year	10.07				8.72	3.09		
Average annual for 5 Forecast Years	10.07				8.72	3.09		

##### Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWER		22kV non-SWER	SWER	33kV (0kV & 66kV)		>66kV	
	Underground	Overhead						
Underground	5.03				-			
Overhead	6.72				2.91			

#### Reliability

##### Overall reliability

Based on the total number of interruptions	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>
	307.71	3.00	102.41

##### Reliability by interruption class

	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>
Class B	49.75	0.28	177.12
Class C	200.05	2.46	81.34

##### Targets for Forecast Year

	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>
Class B	60.00	0.50	120.00
Class C	400.00	4.60	86.90

##### Average targets for 5 Forecast Years

	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>
Class B	60.00	0.50	120.00
Class C	400.00	4.60	86.90

### PRICES

#### Price information by Connection Point Class

	Connection Point Class				
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	Total
Gross line charge income (\$000)	3,697	224	187	518	4,627
Quantity Supplied to Customers' Connection Points (MWh)	29,445	3,234	4,139	14,824	51,641
Number of Connection Points (ICPs) at year end	4,834	30	12	5	4,881
Unit Price (cents/kWh)	12.6	6.9	4.5	3.5	9.0
Relative Unit Price Index	1.00	0.55	0.36	0.28	0.71

**REPORT MP3: PRICE AND QUALITY (cont)**

**Notes to Price and Quality Measures**

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

# 17.AM1- Expenditure Forecasts and Reconciliation

## REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

Electricity Distribution Business: **Eastland Network Ltd**  
 For Year Ended **2008**  
 (\$000)

### A) Five year forecasts of expenditure

From most recent Asset Management Plan

for year ended	Actual for Current Financial Year	Forecast Years					
		year 1	year 2	year 3	year 4	year 5	
		2009	2010	2011	2012	2013	
Capital Expenditure: Customer Connection	-						from FS2
Capital Expenditure: System Growth	-						from FS2
Capital Expenditure: Reliability, Safety and Environment	-						from FS2
Capital Expenditure: Asset Replacement and Renewal	-						from FS2
Capital Expenditure: Asset Relocations	4,379						from FS2
<b>Subtotal - Capital Expenditure on asset management</b>	<b>4,379</b>	-	-	-	-	-	
Operational Expenditure: Routine and Preventative Maintenance	-						from FS1
Operational Expenditure: Refurbishment and Renewal Maintenance	-						from FS1
Operational Expenditure: Fault and Emergency Maintenance	1,703						from FS1
<b>Subtotal - Operational Expenditure on asset management</b>	<b>1,703</b>	-	-	-	-	-	
<b>Total direct expenditure on distribution network</b>	<b>6,082</b>	-	-	-	-	-	
<b>Overhead to Underground Conversion Expenditure</b>							

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).

### B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure

	Actual for Current Financial Year (a)	Previous forecast for Current Financial Year (b)	% Variance (a)/(b)-1	
Capital Expenditure: Customer Connection	-		Not defined	from row 10
Capital Expenditure: System Growth	-		Not defined	from row 11
Capital Expenditure: Asset Replacement and Renewal	-		Not defined	from row 12
Capital Expenditure: Reliability, Safety and Environment	-		Not defined	from row 13
Capital Expenditure: Asset Relocations	4,379		Not defined	from row 14
<b>Subtotal - Capital Expenditure on asset management</b>	<b>4,379</b>	-	<b>Not defined</b>	
Operational Expenditure: Routine and Preventative Maintenance	-		Not defined	from row 17
Operational Expenditure: Refurbishment and Renewal Maintenance	-		Not defined	from row 18
Operational Expenditure: Fault and Emergency Maintenance	1,703		Not defined	from row 19
<b>Subtotal - Operational Expenditure on asset management</b>	<b>1,703</b>	-	<b>Not defined</b>	
<b>Total direct expenditure on distribution network</b>	<b>6,082</b>	-	<b>Not defined</b>	

#### Explanation of variances

Distribution Business must provide a brief explanation for any line item variance of more than 10%

Explanatory notes (can be provided in a separate note if necessary):

## IV. Transitional Provisions

Requirement Part 4 14(8)

	Nominal Voltage	2008	2007	2006	2005
System length (kms)	50 kV	301	299.99	295.75	293.3
	33kV	35	34.41	34.39	34.4
	11kV	2548	2,548.96	2,561.24	2,575.65
	220/400V	770	763.89	775.26	725.95
	<b>Total</b>	<b>3654</b>	<b>3,647.25</b>	<b>3,666.64</b>	<b>3,629.30</b>
Circuit length (Overhead) (kms)	50 kV	300	298.65	294.93	293.91
	33kV	34	34.34	34.32	34.32
	11kV	2414	2419.83	2437.91	2448.8
	220/400V	546	553.25	567.9	573.18
	<b>Total</b>	<b>3294</b>	<b>3306.07</b>	<b>3335.06</b>	<b>3350.21</b>
Circuit length (Underground) (kms)	50 kV	1	1.34	0.82	0
	33kV	1	0.07	0.07	0.07
	11kV	134	129.13	123.33	124.82
	220/400V	224	210.64	207.36	196.7
	<b>Total</b>	<b>360</b>	<b>341.18</b>	<b>331.58</b>	<b>321.59</b>

	2008	2007	2006	2005
Transformer Capacity	229	207,120	200,520	197,711
Total Consumers	25,196	24,962	24,864	24,856

	2008	2007	2006	2005
Direct Line costs per kilometer	665	799	647	675
Direct Expenditure	2,431,553	2,913,212	2,372,204	2,477,409
System length (km)	3654	3,647.25	3,666.64	3,629.30
Indirect Line Costs per Consumer	98	87	77	70
Indirect expenditure	2,475,527	2,182,406	1,922,798	1,733,061
Total Consumers	25,196	24,962	24,864	24,856

# V. Assumptions and Explanatory Notes

Report/ Reference	Data Source	File name/file location	Query name	Query rules/ Assumptions	Adjustments	Notes	Data location
<b>MP1 (Murray Carman, Ben Gisbon)</b>							
ref. 10-32	GIS	ENLPVAMPQUERIES.mdb	STATSCONDUCTORSUMMARY CH URBAN RURAL REMOTE RUGGED	* subclass not out and not installed	* to reconcile November GIS data with line length at 1 April 2008 2kms of underground 11kV Gisborne urban normal, 10km underground 400Volt Gisborne urban normal were removed. 2.8km overhead LV lines Gisborne urban roadside and 350m overhead 11 kV Gisborne rural added (note: should not be material)	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
				* conduct_code not like (bus) substation busbar			
			alternative QUERY: STATS CONDUCTOR SUMMARY CH URBAN RURAL REMOTE RUGGED ENL with same rules but ENL only			small variations in subtransmission voltages from April were due to busbar conductor being counted in April	
ref. 23-30						rule for putting classifying conductor into urban and rural from GIS are attached	
		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	
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	After identifying all assets according to ODV category, Wairoa assets can be found by assuming All-Gisborne=		All data is from the GIS (Microsoft Access database)- ENL ODV engine. Tables used in access were "Z Summary" (shows entire	Z:\Network\Information Disclosure\2008 Disclosure\Report MP --> ODV Category for age 2004
ref. 53-68	half hour load data	Z:\systems\scadadscadaloadd.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	
ref. 69 to 90	M-co					Data received from M-co reconciliation manager and reconciled against Transpower data	
<b>MP 2</b>							
All						Previous year information is extracted from previous information disclosure for the financial year 2006/2007	
<b>MP 3 (Murray Carman and Bruce Easton)</b>							
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 * 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\2008 Disclosure\ReportMP\	period selected: 01/04/07 - 31/03/2008		* 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	
		Kwhs GIS0501 1.4.07 to 31.3.08.xls			* difference of \$11,000 due to overcharge which was reconciled in the following FY	* largest customer group (total business) consists of 4 from Gisborne and 1 from Wairoa	
		Kwhs Master 1.4.07 to 31.3.08.xls					
		Kwhs WRA0111 1.4.07 to 31.3.08.xls					
ref 78						* 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)	
<b>AV - all (Lindsay Guild)</b>							
All				disposals: unless they have an replacement date, the disposal date is assumed to be mid year			
				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			
<b>AV 1 (Lindsay Guild)</b>							
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 * valued at ODV 2004 p.266 and p.269	
ref. 15 -16							
<b>AV 2 (Lindsay Guild)</b>							
ref 13	numbers from ODV 2004						
<b>AV 3 (Lindsay Guild)</b>							
All	Financial Register				* 2004 ODV values for Replacement cost are indexed up		
<b>FS 1 (Lindsay Guild)</b>							
ref. 8-45	General Ledger as of 31 March 2008					* ACAM used to identify all ENL staff	
<b>Transitional provisions Part 4 14(8)</b>							
	Information Disclosure 2006/07					*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

## 18. Auditor's Report



### INDEPENDENT ASSURANCE REPORT

To the Board of Directors:

We have examined the attached Information Disclosure Report (comprised of reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP1, MP2, MP3 and AM1) of Eastland Network Limited's Electricity Lines Business for the year ended 31 March 2008 ("the Disclosure Report"). This information is stated in accordance with the Electricity Distribution (Information Disclosure) Requirements 2008 ("the Requirements").

#### Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and certification of the Disclosure Report for the year ended 31 March 2008 in accordance with the Requirements.

#### Responsibilities of the Independent Accountant

The Auditor-General is the auditor of Eastland Network Limited's Electricity Lines Business. The Auditor-General has appointed me, Graham Naylor, using the staff and resources of Deloitte, to carry out the assurance engagement on the Disclosure Report, on his behalf, for the year ended 31 March 2008.

We are responsible for expressing an independent opinion on the Disclosure Report in accordance with clause 10 of the Requirements and reporting that opinion to you.

This report has been prepared solely to provide assurance that the Disclosure Report prepared by Eastland Network Limited's Electricity Lines Business for the year ended 31 March 2008 complies with the Requirements. We understand that a copy of this report has been requested by the Commerce Commission for their use in connection with this purpose. We agree that a copy of this report may be provided to the Commerce Commission. This report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written consent. We accept or assume no duty, responsibility or liability to any party, other than you, in connection with this report or engagement including without limitation, liability for negligence in relation to the factual findings expressed or implied in this report.

#### Basis of Opinion on the Historical Financial Information

We carried out the audit of the historical financial information in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We have planned and performed procedures so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain reasonable assurance that the disclosures of the historical financial information set out in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3, and AM1 for the year ended 31 March 2008 have been properly presented, in all material respects, in accordance with the Requirements.

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 historical financial information.

#### Audit procedures generally include:

- + determining whether significant financial and management controls are working and can be relied upon to produce complete and accurate data;
- + verifying samples of transactions and account balances;
- + performing analyses to identify anomalies in the reported data;
- + reviewing significant estimates and judgements made by the Board of Directors;
- + confirming year-end balances
- + determining whether all historical financial information disclosures are adequate

We did not examine every transaction, nor do we guarantee complete accuracy of the historical financial information.

#### Basis of Opinion on the Historical Non-Financial Information

We conducted the engagement in respect of the historical non-financial information in accordance with the New Zealand Institute of Chartered Accountants International Standard on Assurance Engagements (New Zealand) 3000: *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

We have undertaken procedures to provide reasonable assurance that the disclosures of the historical non-financial information set out in reports MP1, MP2 and MP3 for the year ended 31 March 2008 have been properly compiled in accordance with guidance issued pursuant to the Requirements and calculated based on the source data provided by Eastland Network Limited's Electricity Lines Business.

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 historical non-financial information.

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 year and the procedures performed in respect of Eastland Network Limited's Electricity Lines Business's compliance with the Requirements are undertaken on a test basis, our engagement cannot be relied on to detect all instances where Eastland Network Limited's Electricity Lines Business may not have complied with the Requirements. Our opinion has been formed on the above basis.

#### Basis of Opinion on the Prospective Financial and Non-Financial Information

We have undertaken procedures to provide reasonable assurance that the disclosures of the prospective financial and non-financial information set out in report MP3 have been (where applicable and except to the extent that amendments to those requirements have changed that basis) properly presented on a basis consistent with the regulatory accounting and technical measurement requirements used for disclosures for the financial years ended 31 March 2008 and 31 March 2007 and calculated based on source data provided by Eastland Network Limited's Electricity Lines Business. The assumptions relate to future events. We do not express an opinion on these assumptions.

#### 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 specified in clause 2(1) of the Requirements.

Other than the engagement and the annual audit of Eastland Network Limited's financial statements carried out on behalf of the Auditor-General, we have no relationship with or interests in Eastland Network Limited's Electricity Lines Business.

#### Unqualified Opinion

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

In our opinion;

- + proper records have been kept by Eastland Network Limited's Electricity Lines Business to enable the complete and accurate compilation of required information, as far as appears from our examination of those records; and
- + the Disclosure Report for the year ended 31 March 2008, and in particular the reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP1, MP2, MP3 and AM1 comply with the Requirements as further outlined below:
  - o the historical financial information included in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3, and AM1 has been presented in all material respects in accordance with the Requirements; and
  - o the historical non-financial information included in reports MP1, MP2, and MP3 has been compiled in accordance with the guidance issued pursuant to the Requirements and calculated based on source data provided by Eastland Network Limited's Electricity Lines Business; and
  - o the prospective financial and non-financial information included in report MP3 has been (where applicable and except to the extent that amendments to those requirements have changed that basis) presented on a basis consistent with the regulatory accounting and technical measurement requirements used for disclosures for the current financial year and the immediately preceding financial year, and have been calculated based on source data provided by Eastland Network Limited's Electricity Lines Business.

The assurance engagement was completed on 25 February 2009 and our opinion is expressed as at that date.



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

This independent assurance report relates to the Information Disclosure report of Eastland Network Limited's Electricity Lines Business for the year ended 31 March 2008 included on Eastland Network Limited's website. The Board of Directors are responsible for the completeness and integrity of Eastland Network Limited's website. We have not been engaged to report on the integrity of Eastland Network Limited's website. We accept no responsibility for any changes that may have occurred to the Information Disclosure report since they were initially prepared on the website. The independent assurance report refers only to the Information Disclosure report posted above. It does not provide an opinion on any other information which may have been hyperlinked within the Information Disclosure report. If readers of this report are concerned with the technical rules arising from disclosure documents, they should refer to the published hard copy of the Information Disclosure report and related independent assurance report dated 25 February 2009 to confirm the information included in the Information Disclosure report prepared on the website. Legislation in New Zealand governing the preparation and dissemination of Information Disclosure reports may differ from legislation in other jurisdictions.

# VII. Director's Certificates

## 19. Certificate for Disclosed Information

We, Trevor William Taylor and Roger Neil Taylor, 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.



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Director



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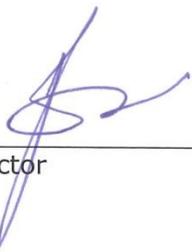
Director

30 September 2009

## 20. Certificate for Valuation Report

We, Trevor William Taylor and Roger Neil Taylor, 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 \$186,184,000; 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

30 September 2009



Director