



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

Company Name	<input type="text" value="Powerco Limited"/>
Disclosure Date	<input type="text" value="31 March 2021"/>
Disclosure Year (year ended)	<input type="text" value="30 September 2020"/>

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

**Table of Contents**

<b>Schedule</b>	<b>Description</b>
1	<a href="#">Analytical Ratios</a>
2	<a href="#">Report on Return on Investment</a>
3	<a href="#">Report on Regulatory Profit</a>
4	<a href="#">Report on Value of the Regulatory Asset Base (Rolled Forward)</a>
5a	<a href="#">Report on Regulatory Tax Allowance</a>
5b	<a href="#">Report on Related Party Transactions</a>
5c	<a href="#">Report on Term Credit Spread Differential Allowance</a>
5d	<a href="#">Report on Cost Allocations</a>
5e	<a href="#">Report on Asset Allocations</a>
5h	<a href="#">Report on Transitional Financial Information</a>
6a	<a href="#">Report on Capital Expenditure for the Disclosure Year</a>
6b	<a href="#">Report on Operational Expenditure for the Disclosure Year</a>
7	<a href="#">Comparison of Forecasts to Actual Expenditure</a>
8	<a href="#">Report on Billed Quantities and Line Charge Revenues (by Price Component)</a>
9a	<a href="#">Asset Register</a>
9b	<a href="#">Asset Age Profile</a>
9c	<a href="#">Report on Pipeline Data</a>
9d	<a href="#">Report on Demand</a>
10a	<a href="#">Report on Network Reliability and Interruptions</a>
10b	<a href="#">Report on Network Integrity and Consumer Service</a>

## **Disclosure Template Instructions**

These templates have been prepared for use by GDBs when making disclosures under subclauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, and 2.5.2 of the Gas Distribution Information Disclosure Determination 2012.

### ***Company Name and Dates***

To prepare the templates for disclosure, the supplier's company name should be entered in cell C8, the date of the last day of the current (disclosure) year should be entered in cell C12, and the date on which the information is disclosed should be entered in cell C10 of the CoverSheet worksheet.

The cell C12 entry (current year) is used to calculate disclosure years in the column headings that show above some of the tables and in labels adjacent to some entry cells. It is also used to calculate the 'For year ended' date in the template title blocks (the title blocks are the light green shaded areas at the top of each template).

The cell C8 entry (company name) is used in the template title blocks.

Dates should be entered in day/month/year order (Example -"1 April 2013").

### ***Data Entry Cells and Calculated Cells***

Data entered into this workbook may be entered only into the data entry cells. Data entry cells are the bordered, unshaded areas (white cells) in each template. Under no circumstances should data be entered into the workbook outside a data entry cell.

In some cases, where the information for disclosure is able to be ascertained from disclosures elsewhere in the workbook, such information is disclosed in a calculated cell.

### ***Validation Settings on Data Entry Cells***

To maintain a consistency of format and to help guard against errors in data entry, some data entry cells test keyboard entries for validity and accept only a limited range of values. For example, entries may be limited to a list of category names, to values between 0% and 100%, or either a numeric entry or the text entry "N/A". Where this occurs, a validation message will appear when data is being entered. These checks are applied to keyboard entries only and not, for example, to entries made using Excel's copy and paste facility.

### ***Conditional Formatting Settings on Data Entry Cells***

Schedule 2 cells G79 and I79:L79 will change colour if the total cashflows do not equal the corresponding values in table 2(ii).

Schedule 4 cells P99:P105 and P107 will change colour if the RAB values do not equal the corresponding values in table 4(ii).

Schedule 9b columns AA to AE (2013 to 2017) contain conditional formatting. The data entry cells for future years are hidden (are changed from white to yellow).

Schedule 9b cells AG10 to AG37 will change colour if the total assets at year end for each asset class does not equal the corresponding values in column I in Schedule 9a.

Schedule 9c cell F22 will change colour if F22 (system length by operating pressure) does not equal F16 (system length by material).

### ***Inserting Additional Rows and Columns***

The templates for schedules 4, 5b, 5c, 5d, 5e, 5i, 6a, 8, 9c, 9d, 10a and 10b may require additional rows to be inserted in tables marked 'include additional rows if needed' or similar. Column A schedule references should not be entered in additional rows, and should be deleted from additional rows that are created by copying and pasting rows that have schedule references.

Additional rows in schedules 5c, 6a, 9c and 9d must not be inserted directly above the first row or below the last row of a table. This is to ensure that entries made in the new row are included in the totals.

Schedules 5d and 5e may require new cost or asset category rows to be inserted in allocation change tables 5d(iii) and 5e(ii). Accordingly, cell protection has been removed from row 72 of schedule 5d and row 71 of schedule 5e to allow blocks of rows to be copied. The four steps to add new cost category rows to table 5d(iii) are: Select Excel rows 64:72 of the relevant template, copy, select Excel row 73, then insert copied cells. Similarly, for table 5e(ii): Select Excel rows 63:71 of the relevant template, copy, select Excel row 72, then insert copied cells.

The template for schedule 8 may require additional columns to be inserted between column M and Q. To avoid interfering with the title block entries, these should be inserted to the left of column N. If inserting additional columns, the formulas for standard consumers total, non-standard consumers totals and total for all consumers will need to be copied into the cells of the added columns. The formulas can be found in the equivalent cells of the existing columns.

***Disclosures by Sub-Network***

Schedules 8, 9a, 9b, 9c, 9d, 10a and 10b must be completed for the network and for each sub-network. A copy of the schedule worksheet(s) must be made for each subnetwork and named accordingly.

***Schedule References***

The references labelled 'sch ref' in the leftmost column of each template are consistent with the row references in the Gas Distribution ID Determination 2012 (as issued on 21 December 2017). They provide a common reference between the rows in the determination and the template.

***Description of Calculation References***

Calculation cell formulas contain links to other cells within the same template or elsewhere in the workbook. Key cell references are described in a column to the right of each template. These descriptions are provided to assist data entry. Cell references refer to the row of the template and not the schedule reference.

***Worksheet Completion Sequence***

Calculation cells may show an incorrect value until precedent cell entries have been completed. Data entry may be assisted by completing the schedules in the following order:

1. Coversheet
2. Schedules 5a–5e
3. Schedules 6a–6b
4. Schedule 8
5. Schedule 3
6. Schedule 4
7. Schedule 2
8. Schedule 7
9. Schedules 9a–9d
10. Schedules 10a and 10b

Company Name	Powerco Limited
For Year Ended	30 September 2020

**SCHEDULE 1: ANALYTICAL RATIOS**

This schedule calculates expenditure, revenue and service ratios from the information disclosed. The disclosed ratios may vary for reasons that are company specific and, as a result, must be interpreted with care. The Commerce Commission will publish a summary and analysis of information disclosed in accordance with the ID determination. This will include information disclosed in accordance with this and other schedules, and information disclosed under the other requirements of the determination.

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

sch ref

7 **1(i): Expenditure Metrics**

	Expenditure per TJ energy delivered to ICPs (\$/TJ)	Expenditure per average no. of ICPs (\$/ICP)	Ratio of expenditure to maximum monthly load (\$ per GJ/month)	Expenditure per km of pipeline for supply (\$/km)
8 <b>Operational expenditure</b>	2,039	162	17	2,956
9 Network	741	59	6	1,074
10 Non-network	1,298	103	11	1,882
11				
12 <b>Expenditure on assets</b>	2,041	162	17	2,960
13 Network	1,770	141	15	2,567
14 Non-network	271	21	2	392

16 **1(ii): Revenue Metrics**

	Revenue per TJ energy delivered to ICPs (\$/TJ)	Revenue per average no. of ICPs (\$/ICP)
17 <b>Total line charge revenue</b>	6,101	484
18 Standard consumer line charge revenue	9,862	434
19 Non-standard consumer line charge revenue	1,457	26,072

22 **1(iii): Service Intensity Measures**

23 Demand density	173	Maximum monthly load (GJ per month) per system length
24 Volume density	1	Quantity of gas delivered per km of system length (TJ/km)
25 Connection point density	18	Average number of ICPs in disclosure year per system length
26 Energy intensity	79	Total GJ delivered to ICPs per average number of ICPs in disclosure year

29 **1(iv): Composition of Revenue Requirement**

	(\$000)	% of revenue
30 Operational expenditure	17,946	33.17%
31 Pass-through and recoverable costs excluding financial incentives and wash-ups	1,760	3.25%
32 Total depreciation	18,774	34.70%
33 Total revaluations	5,380	9.94%
34 Regulatory tax allowance	4,657	8.61%
35 Regulatory profit/(loss) including financial incentives and wash-ups	15,949	29.48%
36 <b>Total regulatory income</b>	54,102	

39 **1(v): Reliability**

40 Interruption rate	9.08	Interruptions per 100km of system length
----------------------	------	--

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

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

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

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

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

sch ref

2(ii): Return on Investment		for year ended		
		CY-2 30 Sep 18 %	CY-1 30 Sep 19 %	Current Year CY 30 Sep 20 %
7	<b>2(ii): Return on Investment</b>			
8				
9	<b>ROI – comparable to a post tax WACC</b>			
10	Reflecting all revenue earned	6.00%	5.50%	4.21%
11	Excluding revenue earned from financial incentives	6.00%	5.50%	4.21%
12	Excluding revenue earned from financial incentives and wash-ups	6.00%	5.50%	4.21%
13				
14	<b>Mid-point estimate of post tax WACC</b>	5.18%	4.88%	4.07%
15	25th percentile estimate	4.47%	4.17%	3.36%
16	75th percentile estimate	5.89%	5.58%	4.78%
17				
18				
19	<b>ROI – comparable to a vanilla WACC</b>			
20	Reflecting all revenue earned	6.55%	5.97%	4.54%
21	Excluding revenue earned from financial incentives	6.55%	5.97%	4.54%
22	Excluding revenue earned from financial incentives and wash-ups	6.55%	5.97%	4.54%
23				
24	<b>WACC rate used to set regulatory price path</b>	6.41%	6.41%	6.41%
25				
26	<b>Mid-point estimate of vanilla WACC</b>	5.71%	5.34%	4.40%
27	25th percentile estimate	5.00%	4.64%	3.70%
28	75th percentile estimate	6.41%	6.05%	5.11%
29				
30	<b>2(ii): Information Supporting the ROI</b>	(\$000)		
31				
32	Total opening RAB value	383,407		
33	plus Opening deferred tax	(29,314)		
34	<b>Opening RIV</b>		354,092	
35				
36	<b>Line charge revenue</b>		53,706	
37				
38	Expenses cash outflow	19,706		
39	plus Assets commissioned	15,767		
40	less Asset disposals	564		
41	plus Tax payments	3,609		
42	less Other regulated income	396		
43	<b>Mid-year net cash flows</b>		38,122	
44				
45	<b>Term credit spread differential allowance</b>		396	
46				
47	Total closing RAB value	387,505		
48	less Adjustment resulting from asset allocation	2,289		
49	less Lost and found assets adjustment	-		
50	plus Closing deferred tax	(30,363)		
51	<b>Closing RIV</b>		354,854	
52				
53	<b>ROI – comparable to a vanilla WACC</b>			4.54%
54				
55	Leverage (%)			42%
56	Cost of debt assumption (%)			2.82%
57	Corporate tax rate (%)			28%
58				
59	<b>ROI – comparable to a post tax WACC</b>			4.21%
60				

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

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

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

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

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

sch ref

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

Opening RIV

N/A

(\$000)

	Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
Month 1						-
Month 2						-
Month 3						-
Month 4						-
Month 5						-
Month 6						-
Month 7						-
Month 8						-
Month 9						-
Month 10						-
Month 11						-
Month 12						-
<b>Total</b>						-

Tax Payments

N/A

Term credit spread differential allowance

N/A

Closing RIV

N/A

Monthly ROI – comparable to a vanilla WACC

N/A

Monthly ROI – comparable to a post tax WACC

N/A

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

Year-end ROI – comparable to a vanilla WACC

4.41%

Year-end ROI – comparable to a post tax WACC

4.07%

\* these year-end ROI values are comparable to the ROI reported in pre 2012 disclosures by GDBs and do not represent the Commission's current view on ROI.

**2(v): Financial Incentives and Wash-Ups**

Financial incentives

Impact of financial incentives on ROI

-

Input methodology claw-back

CPP application recoverable costs

Catastrophic event allowance

Capex wash-up adjustment

Other wash-ups

Wash-up costs

-

Impact of wash-up costs on ROIs

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 3: REPORT ON REGULATORY PROFIT**

This schedule requires information on the calculation of regulatory profit for the GDB for the disclosure year. GDBs must complete all sections and must provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).  
 This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

7	<b>3(i): Regulatory Profit</b>		(\$000)
8	<b>Income</b>		
9	Line charge revenue	53,706	
10	plus Gains / (losses) on asset disposals	(523)	
11	plus Other regulated income (other than gains / (losses) on asset disposals)	919	
12			
13	<b>Total regulatory income</b>	<b>54,102</b>	
14	<b>Expenses</b>		
15	less Operational expenditure	17,946	
16			
17	less Pass-through and recoverable costs excluding financial incentives and wash-ups	1,760	
18			
19	<b>Operating surplus / (deficit)</b>	<b>34,396</b>	
20			
21	less Total depreciation	18,774	
22			
23	plus Total revaluations	5,380	
24			
25	<b>Regulatory profit / (loss) before tax</b>	<b>21,002</b>	
26			
27	less Term credit spread differential allowance	396	
28			
29	less Regulatory tax allowance	4,657	
30			
31	<b>Regulatory profit/(loss) including financial incentives and wash-ups</b>	<b>15,949</b>	
32			
33	<b>3(ii): Pass-through and recoverable costs excluding financial incentives and wash-ups</b>		(\$000)
34	<b>Pass through costs</b>		
35	Rates	1,413	
36	Commerce Act levies	285	
37	Industry Levies	62	
38	CPP specified pass through costs	-	
39	<b>Recoverable costs excluding financial incentives and wash-ups</b>		
40	Urgent project allowance		
41	Other recoverable costs excluding financial incentives and wash-ups		
42	<b>Pass-through and recoverable costs excluding financial incentives and wash-ups</b>	<b>1,760</b>	
43			
44			
45			
46	<b>3(iv): Merger and Acquisition Expenditure</b>		(\$000)
47			
48	Merger and acquisition expenditure		
49			
50	<i>Provide commentary on the benefits of merger and acquisition expenditure to the gas distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)</i>		
51			(\$000)
52	<b>3(v): Other Disclosures</b>		
53			(\$000)
54	Self-insurance allowance		



Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)**

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2. GDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(i): Regulatory Asset Base Value (Rolled Forward)		for year ended				
		RAB 30 Sep 16 (\$000)	RAB 30 Sep 17 (\$000)	RAB 30 Sep 18 (\$000)	RAB 30 Sep 19 (\$000)	RAB 30 Sep 20 (\$000)
	Total opening RAB value	348,395	351,954	364,155	369,556	383,407
less	Total depreciation	9,959	10,086	13,662	14,051	18,774
plus	Total revaluations	1,445	6,689	6,831	5,364	5,380
plus	Assets commissioned	12,910	16,198	12,763	23,350	15,767
less	Asset disposals	376	316	160	437	564
plus	Lost and found assets adjustment	-	-	-	-	-
plus	Adjustment resulting from asset allocation	(461)	(284)	(371)	(375)	2,289
	Total closing RAB value	351,954	364,155	369,556	383,407	387,505

4(ii): Unallocated Regulatory Asset Base		Unallocated RAB *		RAB	
		(\$000)	(\$000)	(\$000)	(\$000)
	Total opening RAB value		460,467		383,407
less	Total depreciation		27,634		18,774
plus	Total revaluations		5,982		5,380
plus	Assets commissioned (other than below)	23,982		15,767	
	Assets acquired from a regulated supplier	-		-	
	Assets acquired from a related party	-		-	
	Assets commissioned		23,982		15,767
less	Asset disposals (other than below)	565		564	
	Asset disposals to a regulated supplier	-		-	
	Asset disposals to a related party	-		-	
	Asset disposals		565		564
plus	Lost and found assets adjustment		-		-
plus	Adjustment resulting from asset allocation				2,289
	Total closing RAB value		462,233		387,505

\* The 'unallocated RAB' is the total value of those assets used wholly or partially to provide gas distribution services without any allowance being made for the allocation of costs to services provided by the supplier that are not gas distribution services. The RAB value represents the value of these assets after applying this cost allocation. Neither value includes works under construction.

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)**

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2. GDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

51  
52  
53  
54  
55  
56  
57  
58  
59  
60  
61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75

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

CPI <sub>t</sub>	1,054
CPI <sub>t-4</sub>	1,039
Revaluation rate (%)	1.44%

	Unallocated RAB *		RAB	
	(\$000)	(\$000)	(\$000)	(\$000)
Total opening RAB value	460,467		383,407	
less Opening value of fully depreciated, disposed and lost assets	46,083		10,728	
Total opening RAB value subject to revaluation	414,384		372,678	
<b>Total revaluations</b>		5,982		5,380

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

	Unallocated works under construction		Allocated works under construction	
	(\$000)	(\$000)	(\$000)	(\$000)
Works under construction—preceding disclosure year		9,091		4,958
plus Capital expenditure	30,992		17,631	
less Assets commissioned	23,982		15,767	
plus Adjustment resulting from asset allocation			(15)	
<b>Works under construction - current disclosure year</b>		16,101		6,807
Highest rate of capitalised finance applied				6.23%

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)**

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2. GDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

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

	Unallocated RAB * (\$000)	(\$000)	RAB (\$000)	(\$000)
79 Depreciation - standard	17,303		16,870	
80 Depreciation - no standard life assets	10,331		1,904	
81 Depreciation - modified life assets	-		-	
82 Depreciation - alternative depreciation in accordance with CPP	-		-	
83 <b>Total depreciation</b>		27,634		18,774

84

(\$000 unless otherwise specified)

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

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

95 \* include additional rows if needed

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

(\$000 unless otherwise specified)

	Intermediate pressure main pipelines	Medium pressure main pipelines	Low pressure main pipelines	Service pipe	Stations	Line valve	Special crossings	Other network assets	Non-network assets	Total
98 <b>Total opening RAB value</b>	48,818	174,426	4,791	105,442	6,094	3,617	869	21,273	18,077	383,407
100 less Total depreciation	1,861	8,717	163	3,795	591	87	14	1,525	2,022	18,774
101 plus Total revaluations	705	2,518	69	1,522	85	52	13	281	136	5,380
102 plus Assets commissioned	-	93	-	825	-	-	-	13,863	986	15,767
103 less Asset disposals	32	116	3	48	244	49	2	68	0	564
104 plus Lost and found assets adjustment	-	-	-	-	-	-	-	-	-	-
105 plus Adjustment resulting from asset allocation	-	-	-	-	-	-	-	-	2,289	2,289
106 plus Asset category transfers	-	-	-	-	-	-	-	(171)	171	(0)
107 <b>Total closing RAB value</b>	47,629	168,203	4,694	103,945	5,344	3,533	866	33,653	19,638	387,505
109 <b>Asset Life</b>										
110 Weighted average remaining asset life	33.6	27.1	34.8	33.3	25.2	48.0	65.4	35.2	22.6	(years)
111 Weighted average expected total asset life	66.8	50.8	52.0	54.8	35.0	62.7	70.0	37.2	26.5	(years)

Company Name **Powerco Limited**For Year Ended **30 September 2020****SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE**

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). GDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

		(\$000)	
7	<b>5a(i): Regulatory Tax Allowance</b>		
8	Regulatory profit / (loss) before tax		21,002
9			
10	plus Income not included in regulatory profit / (loss) before tax but taxable	446	*
11	Expenditure or loss in regulatory profit / (loss) before tax but not deductible	106	*
12	Amortisation of initial differences in asset values	2,292	
13	Amortisation of revaluations	2,718	
14			5,562
15			
16	less Total revaluations	5,380	
17	Income included in regulatory profit / (loss) before tax but not taxable	-	*
18	Expenditure or loss deductible but not in regulatory profit / (loss) before tax	25	*
19	Notional deductible interest	4,527	
20			9,932
21			
22	<b>Regulatory taxable income</b>		<b>16,632</b>
23			
24	less Utilised tax losses	-	
25	Regulatory net taxable income		16,632
26			
27	Corporate tax rate (%)	28%	
28	<b>Regulatory tax allowance</b>		<b>4,657</b>
29			
30	* Workings to be provided in Schedule 14		
31			
32	<b>5a(ii): Disclosure of Permanent Differences</b>		
33	In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).		
34	<b>5a(iii): Amortisation of Initial Difference in Asset Values</b>		(\$000)
35			
36	Opening unamortised initial differences in asset values	68,775	
37	less Amortisation of initial differences in asset values	2,292	
38	plus Adjustment for unamortised initial differences in assets acquired	-	
39	less Adjustment for unamortised initial differences in assets disposed	0	
40	Closing unamortised initial differences in asset values		66,482
41			
42	Opening weighted average remaining useful life of relevant assets (years)		30
43			

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

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

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). GDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

44	<b>5a(iv): Amortisation of Revaluations</b>		(\$000)
45			
46	Opening sum of RAB values without revaluations	345,486	
47			
48	Adjusted depreciation	16,057	
49	Total depreciation	18,774	
50	Amortisation of revaluations		2,718
51			
52	<b>5a(v): Reconciliation of Tax Losses</b>		(\$000)
53			
54	Opening tax losses	-	
55	plus Current period tax losses	-	
56	less Utilised tax losses	-	
57	Closing tax losses		-
58	<b>5a(vi): Calculation of Deferred Tax Balance</b>		(\$000)
59			
60	Opening deferred tax	(29,314)	
61			
62	plus Tax effect of adjusted depreciation	4,496	
63			
64	less Tax effect of tax depreciation	4,426	
65			
66	plus Tax effect of other temporary differences*	85	
67			
68	less Tax effect of amortisation of initial differences in asset values	642	
69			
70	plus Deferred tax balance relating to assets acquired in the disclosure year	-	
71			
72	less Deferred tax balance relating to assets disposed in the disclosure year	(153)	
73			
74	plus Deferred tax cost allocation adjustment	(715)	
75			
76	Closing deferred tax		(30,363)
77			
78	<b>5a(vii): Disclosure of Temporary Differences</b>		
79	<i>In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).</i>		
80			
81	<b>5a(viii): Regulatory Tax Asset Base Roll-Forward</b>		(\$000)
82			
83	Opening sum of regulatory tax asset values	175,594	
84	less Tax depreciation	15,807	
85	plus Regulatory tax asset value of assets commissioned	15,599	
86	less Regulatory tax asset value of asset disposals	15	
87	plus Lost and found assets adjustment	-	
88	plus Adjustments resulting from asset allocation	(265)	
89	plus Other adjustments to the RAB tax value	-	
90	Closing sum of regulatory tax asset values		175,104



Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE**

This schedule is only to be completed if, as at the date of the most recently published financial statements, the weighted average original tenor of the debt portfolio (both qualifying debt and non-qualifying debt) is greater than five years. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

*sch ref*

7			
8	<b>5c(i): Qualifying Debt (may be Commission only)</b>		
26			
27	<b>5c(ii): Attribution of Term Credit Spread Differential</b>		
28			
29	Gross term credit spread differential		4,209
30			
31	Total book value of interest bearing debt	1,719,521	
32	Leverage	42%	
33	Average opening and closing RAB values	385,456	
34	Attribution Rate (%)		9%
35			
36	Term credit spread differential allowance		396

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 5d: REPORT ON COST ALLOCATIONS**

This schedule provides information on the allocation of operational costs. GDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

		Value allocated (\$000s)				OVABAA allocation increase (\$000s)
		Arm's length deduction	Gas distribution services	Non-gas distribution services	Total	
7	<b>5d(i): Operating Cost Allocations</b>					
8						
9						
10	<b>Service interruptions, incidents and emergencies</b>					
11	Directly attributable		634			
12	Not directly attributable					
13	<b>Total attributable to regulated service</b>		634			
14	<b>Routine and corrective maintenance and inspection</b>					
15	Directly attributable		2,933			
16	Not directly attributable					
17	<b>Total attributable to regulated service</b>		2,933			
18	<b>Asset replacement and renewal</b>					
19	Directly attributable		2,955			
20	Not directly attributable					
21	<b>Total attributable to regulated service</b>		2,955			
22	<b>System operations and network support</b>					
23	Directly attributable		4,278			
24	Not directly attributable		139	761	900	
25	<b>Total attributable to regulated service</b>		4,417			
26	<b>Business support</b>					
27	Directly attributable		915			
28	Not directly attributable		6,093	31,945	38,038	
29	<b>Total attributable to regulated service</b>		7,007			
30						
31	<b>Operating costs directly attributable</b>		11,714			
32	<b>Operating costs not directly attributable</b>		6,232	32,706	38,938	
33	<b>Operational expenditure</b>		17,946			
34						



Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 5d: REPORT ON COST ALLOCATIONS**

This schedule provides information on the allocation of operational costs. GDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

35 <b>5d(ii): Other Cost Allocations</b>		Value allocated (\$000s)			OVABAA allocation increase (\$000s)
		Arm's length deduction	Gas distribution services	Non-gas distribution services	
36 <b>Pass through and recoverable costs</b>					
37 <b>Pass through costs</b>					
38	Directly attributable		1,698		
39	Not directly attributable		62	200	262
40	<b>Total attributable to regulated service</b>		1,760		
41 <b>Recoverable costs</b>					
42	Directly attributable				
43	Not directly attributable				-
44	<b>Total attributable to regulated service</b>				-

45 **5d(iii): Changes in Cost Allocations\* †**

46 <b>Change in cost allocation 1</b>		(\$000)	
		CY-1	Current Year (CY)
47	Cost category		
48	Original allocator or line items		
49	New allocator or line items		
50	Difference		
51	Rationale for change		

55 <b>Change in cost allocation 2</b>		(\$000)	
		CY-1	Current Year (CY)
56	Cost category		
57	Original allocator or line items		
58	New allocator or line items		
59	Difference		
60	Rationale for change		

64 <b>Change in cost allocation 3</b>		(\$000)	
		CY-1	Current Year (CY)
65	Cost category		
66	Original allocator or line items		
67	New allocator or line items		
68	Difference		
69	Rationale for change		

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

73 † include additional rows if needed

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

**SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS**

This schedule requires information on the allocation of asset values. This information supports the calculation of the RAB value in Schedule 4. GDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any changes in asset allocations. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5e(i): Regulated Service Asset Values		Value allocated (\$000s) Gas distribution services
7	<b>Main pipe</b>	
11	Directly attributable	220,526
12	Not directly attributable	-
13	<b>Total attributable to regulated service</b>	220,526
14	<b>Service pipe</b>	
15	Directly attributable	103,945
16	Not directly attributable	-
17	<b>Total attributable to regulated service</b>	103,945
18	<b>Stations</b>	
19	Directly attributable	5,344
20	Not directly attributable	-
21	<b>Total attributable to regulated service</b>	5,344
22	<b>Line valve</b>	
23	Directly attributable	3,533
24	Not directly attributable	-
25	<b>Total attributable to regulated service</b>	3,533
26	<b>Special crossings</b>	
27	Directly attributable	866
28	Not directly attributable	-
29	<b>Total attributable to regulated service</b>	866
30	<b>Other network assets</b>	
31	Directly attributable	33,653
32	Not directly attributable	-
33	<b>Total attributable to regulated service</b>	33,653
34	<b>Non-network assets</b>	
35	Directly attributable	6,531
36	Not directly attributable	13,108
37	<b>Total attributable to regulated service</b>	19,638
39	<b>Regulated service asset value directly attributable</b>	374,398
40	<b>Regulated service asset value not directly attributable</b>	13,108
41	<b>Total closing RAB value</b>	387,505

**5e(ii): Changes in Asset Allocations\* †**

Change in asset value allocation 1		(\$000)		
Asset category		Original allocation	CY-1	Current Year (CY)
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
Change in asset value allocation 2		(\$000)		
Asset category		Original allocation	CY-1	Current Year (CY)
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				
Change in asset value allocation 3		(\$000)		
Asset category		Original allocation	CY-1	Current Year (CY)
Original allocator or line items		New allocation		
New allocator or line items		Difference	-	-
Rationale for change				

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

† include additional rows if needed

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

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

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

sch ref		(\$000)	(\$000)
7	<b>6a(i): Expenditure on Assets</b>		
8	Consumer connection		6,877
9	System growth		1,355
10	Asset replacement and renewal		3,515
11	Asset relocations		154
12	Reliability, safety and environment:		
13	Quality of supply	2,388	
14	Legislative and regulatory	-	
15	Other reliability, safety and environment	1,295	
16	<b>Total reliability, safety and environment</b>		3,683
17	<b>Expenditure on network assets</b>		15,584
18	Expenditure on non-network assets		2,382
19			
20	<b>Expenditure on assets</b>		17,966
21	<i>plus</i> Cost of financing		58
22	<i>less</i> Value of capital contributions		392
23	<i>plus</i> Value of vested assets		-
24			
25	<b>Capital expenditure</b>		17,631
26	<b>6a(ii): Subcomponents of Expenditure on Assets (where known)</b>		(\$000)
27	Research and development		-
28	<b>6a(iii): Consumer Connection</b>		
29	<i>Consumer types defined by GDB*</i>	(\$000)	(\$000)
30	Residential/Small Commercial	6,524	
31	Commercial	238	
32	Industrial	115	
33	[GDB consumer type]		
34	[GDB consumer type]		
35	* include additional rows if needed		
36	<b>Consumer connection expenditure</b>		6,877
37			
38	<i>less</i> Capital contributions funding consumer connection expenditure	165	
39	<b>Consumer connection less capital contributions</b>		6,712

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

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

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

sch ref

		System Growth (\$000)	Asset Replacement and Renewal (\$000)
40			
41	<b>6a(iv): System Growth and Asset Replacement and Renewal</b>		
42			
43			
44	<b>Intermediate pressure</b>		
45	Main pipe	-	-
46	Service pipe	-	-
47	Stations	201	281
48	Line valve	-	6
49	Special crossings	-	-
50	<b>Intermediate pressure -total</b>	201	287
51	<b>Medium pressure</b>		
52	Main pipe	1,130	2,629
53	Service pipe	-	303
54	Stations	-	-
55	Line valve	-	-
56	Special crossings	-	-
57	<b>Medium pressure - total</b>	1,130	2,932
58	<b>Low pressure</b>		
59	Main pipe	7	-
60	Service pipe	-	62
61	Line valve	17	-
62	Special crossings	-	-
63	<b>Low pressure - total</b>	24	62
64	<b>Other network assets</b>		
65	Monitoring and control systems	-	2
66	Cathodic protection systems	-	219
67	Other assets (other than above)	-	14
68	<b>Other network assets - total</b>	-	234
69			
70	<b>System growth and asset replacement and renewal expenditure</b>	1,355	3,515
71	less Capital contributions funding system growth and asset replacement and renewal	190	1
72	<b>System growth and asset replacement and renewal less capital contributions</b>	1,165	3,514
73	<b>6a(v): Asset Relocations</b>		
74	Project or programme*	(\$000)	(\$000)
75	[Description of material project or programme]	-	-
76	[Description of material project or programme]	-	-
77	[Description of material project or programme]	-	-
78	[Description of material project or programme]	-	-
79	[Description of material project or programme]	-	-
80	* include additional rows if needed		
81	All other projects or programmes - asset relocations	154	-
82	<b>Asset relocations expenditure</b>		154
83	less Capital contributions funding asset relocations	36	-
84	<b>Asset relocations less capital contributions</b>		117

Company Name **Powerco Limited**  
 For Year Ended **30 September 2020**

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

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

sch ref

		(\$000)	(\$000)
85	<b>6a(vi): Quality of Supply</b>		
86	<i>Project or programme*</i>		
87	Wellington CBD Pressure Upgrade - Phase 3	1,502	
88	Wellington CBD Pressure Upgrade - Phase 4	602	
89	Milson Line Rationalisation	183	
90	[Description of material project or programme]		
91	[Description of material project or programme]		
92	<i>* include additional rows if needed</i>		
93	All other projects or programmes - quality of supply	101	
94	<b>Quality of supply expenditure</b>		2,388
95	less Capital contributions funding quality of supply		
96	<b>Quality of supply less capital contributions</b>		2,388
97			
98	<b>6a(vii): Legislative and Regulatory</b>		
99	<i>Project or programme*</i>		
100	[Description of material project or programme]		
101	[Description of material project or programme]		
102	[Description of material project or programme]		
103	[Description of material project or programme]		
104	[Description of material project or programme]		
105	<i>* include additional rows if needed</i>		
106	All other projects or programmes - legislative and regulatory		
107	<b>Legislative and regulatory expenditure</b>		
108	less Capital contributions funding legislative and regulatory		
109	<b>Legislative and regulatory less capital contributions</b>		
110			
111	<b>6a(viii): Other Reliability, Safety and Environment</b>		
112	<i>Project or programme*</i>		
113	DRS Protection Programme	417	
114	DRS Renewals	267	
115	HAB IP Valve Safety Improvement	347	
116	Wellington Sector Valves	129	
117	[Description of material project or programme]		
118	<i>* include additional rows if needed</i>		
119	All other projects or programmes - other reliability, safety and environment	135	
120	<b>Other reliability, safety and environment expenditure</b>		1,295
121	less Capital contributions funding other reliability, safety and environment		
122	<b>Other reliability, safety and environment less capital contributions</b>		1,295
123	<b>6a(ix): Non-Network Assets</b>		
124	<b>Routine expenditure</b>		
125	<i>Project or programme*</i>		
126	[Description of material project or programme]		
127	[Description of material project or programme]		
128	[Description of material project or programme]		
129	[Description of material project or programme]		
130	[Description of material project or programme]		
131	<i>* include additional rows if needed</i>		
132	All other projects or programmes - routine expenditure	497	
133	<b>Routine expenditure</b>		497
134	<b>Atypical expenditure</b>		
135	<i>Project or programme*</i>		
136	Enterprise Asset Management System	1,346	
137	[Description of material project or programme]		
138	[Description of material project or programme]		
139	[Description of material project or programme]		
140	[Description of material project or programme]		
141	<i>* include additional rows if needed</i>		
142	All other projects or programmes - atypical expenditure	539	
143	<b>Atypical expenditure</b>		1,885
144			
145	<b>Expenditure on non-network assets</b>		2,382

Company Name

Powerco Limited

For Year Ended

30 September 2020

**SCHEDULE 6b: REPORT ON OPERATIONAL EXPENDITURE FOR THE DISCLOSURE YEAR**

This schedule requires a breakdown of operational expenditure incurred in the current disclosure year. GDBs must provide explanatory comment on their operational expenditure in Schedule 14 (Explanatory notes to templates). This includes explanatory comment on any atypical operational expenditure and assets replaced or renewed as part of asset replacement and renewal operational expenditure, and additional information on insurance.

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

sch ref		(\$000)	(\$000)
7	<b>6b(i): Operational Expenditure</b>		
8	Service interruptions, incidents and emergencies	634	
9	Routine and corrective maintenance and inspection	2,933	
10	Asset replacement and renewal	2,955	
11	<b>Network opex</b>		6,521
12	System operations and network support	4,417	
13	Business support	7,007	
14	<b>Non-network opex</b>		11,425
15			
16	<b>Operational expenditure</b>		17,946
17	<b>6b(ii): Subcomponents of Operational Expenditure (where known)</b>		
18	Research and development		-
19	Insurance		87

Company Name	<b>Powerco Limited</b>
For Year Ended	<b>30 September 2020</b>

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

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

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

sch ref

	Target (\$000) <sup>1</sup>	Actual (\$000)	% variance
<b>7(i): Revenue</b>			
Line charge revenue	53,088	53,706	1%
<b>7(ii): Expenditure on Assets</b>	<b>Forecast (\$000) <sup>2</sup></b>	<b>Actual (\$000)</b>	<b>% variance</b>
Consumer connection	6,716	6,877	2%
System growth	1,561	1,355	(13%)
Asset replacement and renewal	2,852	3,515	23%
Asset relocations	116	154	33%
Reliability, safety and environment:			
Quality of supply	2,859	2,388	(16%)
Legislative and regulatory	-	-	-
Other reliability, safety and environment	2,277	1,295	(43%)
<b>Total reliability, safety and environment</b>	<b>5,136</b>	<b>3,683</b>	<b>(28%)</b>
<b>Expenditure on network assets</b>	<b>16,381</b>	<b>15,584</b>	<b>(5%)</b>
Expenditure on non-network assets	2,664	2,382	(11%)
<b>Expenditure on assets</b>	<b>19,045</b>	<b>17,966</b>	<b>(6%)</b>
<b>7(iii): Operational Expenditure</b>			
Service interruptions, incidents and emergencies	587	634	8%
Routine and corrective maintenance and inspection	3,108	2,933	(6%)
Asset replacement and renewal	2,215	2,955	33%
<b>Network opex</b>	<b>5,910</b>	<b>6,521</b>	<b>10%</b>
System operations and network support	4,879	4,417	(9%)
Business support	6,621	7,007	6%
<b>Non-network opex</b>	<b>11,500</b>	<b>11,425</b>	<b>(1%)</b>
<b>Operational expenditure</b>	<b>17,411</b>	<b>17,946</b>	<b>3%</b>
<b>7(iv): Subcomponents of Expenditure on Assets (where known)</b>			
Research and development	-	-	-
<b>7(v): Subcomponents of Operational Expenditure (where known)</b>			
Research and development	-	-	-
Insurance	96	87	(9%)

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

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





Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-Network Name	Powerco Limited

**SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES**

This schedule requires the billed quantities and associated line charge revenues for the disclosure year for each consumer group or price category code used by the GDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

8(ii): Line charge revenues (\$000) by price component					Line charge revenues (\$000) by price component					Add extra columns for additional line charge revenues by price component as necessary
Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)	Price component	Fixed	Variable			
G06	Residential	Standard	\$6,412			-	\$6,412			
G11	Residential / Small Commercial	Standard	\$32,322			\$18,020	\$14,302			
G12	Commercial	Standard	\$2,863			\$833	\$2,031			
G14	Commercial	Standard	\$2,791			\$1,049	\$1,742			
G16	Commercial	Standard	\$2,843			\$725	\$2,118			
G18	Commercial	Standard	\$739			\$212	\$527			
G30	Commercial	Non-standard	\$1,298			\$428	\$870			
G40	Industrial	Non-standard	\$4,438			\$1,577	\$2,862			
		(Select one)	-							
		(Select one)	-							
		(Select one)	-							
		(Select one)	-							
Standard consumer totals			\$47,970	-		\$20,838	\$27,132	-	-	
Non-standard consumer totals			\$5,736	-		\$2,004	\$3,732	-	-	
Total for all consumers			\$53,706	-		\$22,843	\$30,863	-	-	



Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-Network Name	Central

**SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES**

This schedule requires the billed quantities and associated line charge revenues for the disclosure year for each consumer group or price category code used by the GDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

8(ii): Line charge revenues (\$000) by price component					Line charge revenues (\$000) by price component					Add extra columns for additional line charge revenues by price component as necessary
Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)	Price component	Fixed	Variable			
						\$/day	\$/GJ			
G06	Residential	Standard	\$2,817			-	\$2,817			
G11	Residential / Small Commercial	Standard	\$11,633			\$7,150	\$4,482			
G12	Commercial	Standard	\$1,164			\$418	\$746			
G14	Commercial	Standard	\$1,126			\$447	\$679			
G16	Commercial	Standard	\$1,294			\$325	\$970			
G18	Commercial	Standard	\$404			\$109	\$296			
G30	Commercial	Non-standard	\$446			\$122	\$324			
G40	Industrial	Non-standard	\$3,437			\$1,333	\$2,104			
		(Select one)	-							
		(Select one)	-							
		(Select one)	-							
		(Select one)	-							
Standard consumer totals			\$18,439	-		\$8,449	\$9,990	-	-	
Non-standard consumer totals			\$3,882	-		\$1,455	\$2,427	-	-	
Total for all consumers			\$22,321	-		\$9,904	\$12,417	-	-	



Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-Network Name	Lower

**SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES**

This schedule requires the billed quantities and associated line charge revenues for the disclosure year for each consumer group or price category code used by the GDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

8(ii): Line charge revenues (\$000) by price component					Line charge revenues (\$000) by price component					Add extra columns for additional line charge revenues by price component as necessary				
Consumer group name or price category code	Consumer type or types (eg, residential, commercial, etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)	Price component	Fixed	Variable							
												Rate (eg, \$ per day, \$ per GJ, etc.)	\$/day	\$/GJ
G06	Residential	Standard	\$3,596											
G11	Residential / Small Commercial	Standard	\$20,685			\$10,869	\$9,815							
G12	Commercial	Standard	\$1,699			\$414	\$1,285							
G14	Commercial	Standard	\$1,664			\$602	\$1,063							
G16	Commercial	Standard	\$1,549			\$400	\$1,149							
G18	Commercial	Standard	\$335			\$103	\$232							
G30	Commercial	Non-standard	\$852			\$306	\$546							
G40	Industrial	Non-standard	\$1,005			\$243	\$762							
		(Select one)	-											
		(Select one)	-											
		(Select one)	-											
		(Select one)	-											
Add extra rows for additional consumer groups or price category codes as necessary														
Standard consumer totals			\$29,528	-		\$12,389	\$17,139	-	-	-	-	-	-	-
Non-standard consumer totals			\$1,857	-		\$549	\$1,308	-	-	-	-	-	-	-
Total for all consumers			\$31,385	-		\$12,938	\$18,446	-	-	-	-	-	-	-

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Powerco Limited

**SCHEDULE 9a: ASSET REGISTER**

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class.

sch ref

8	Operating Pressure	Asset Category	Asset Class	Units	Items at start of	Items at end of	Net change	Data accuracy
					year (quantity)	year (quantity)		(1-4)
9	Intermediate Pressure	Main pipe	IP PE main pipe	km	3	3	0	3
10	Intermediate Pressure	Main pipe	IP steel main pipe	km	263	261	(2)	3
11	Intermediate Pressure	Main pipe	IP other main pipe	km	0	0	0	3
12	Intermediate Pressure	Service pipe	IP PE service pipe	km	0	0	0	3
13	Intermediate Pressure	Service pipe	IP steel service pipe	km	11	11	(0)	3
14	Intermediate Pressure	Service pipe	IP other service pipe	km	1	1	0	3
15	Intermediate Pressure	Stations	Intermediate pressure DRS	No.	129	130	1	3
16	Intermediate Pressure	Line valve	IP line valves	No.	664	660	(4)	3
17	Intermediate Pressure	Special crossings	IP crossings	No.	98	98	-	3
18	Medium Pressure	Main pipe	MP PE main pipe	km	3,542	3,560	18	3
19	Medium Pressure	Main pipe	MP steel main pipe	km	152	149	(3)	3
20	Medium Pressure	Main pipe	MP other main pipe	km	29	29	(0)	3
21	Medium Pressure	Service pipe	MP PE service pipe	km	1,919	1,936	17	3
22	Medium Pressure	Service pipe	MP steel service pipe	km	50	49	(1)	3
23	Medium Pressure	Service pipe	MP other service pipe	km	52	51	(1)	3
24	Medium Pressure	Stations	Medium pressure DRS	No.	68	71	3	3
25	Medium Pressure	Line valve	MP line valves	No.	1,356	1,374	18	3
26	Medium Pressure	Special crossings	MP special crossings	No.	257	255	(2)	3
27	Low Pressure	Main pipe	LP PE main pipe	km	16	9	(7)	3
28	Low Pressure	Main pipe	LP steel main pipe	km	4	3	(0)	3
29	Low Pressure	Main pipe	LP other main pipe	km	1	1	(0)	3
30	Low Pressure	Service pipe	LP PE service pipe	km	7	5	(3)	3
31	Low Pressure	Service pipe	LP steel service pipe	km	1	1	(0)	3
32	Low Pressure	Service pipe	LP other service pipe	km	1	1	(0)	3
33	Low Pressure	Line valve	LP line valves	No.	116	77	(39)	3
34	Low Pressure	Special crossings	LP special crossings	No.	-	-	-	3
35	All	Monitoring and control systems	Remote terminal units	No.	143	143	-	4
36	All	Cathodic protection systems	Cathodic protection	No.	55	55	-	3

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Central

**SCHEDULE 9a: ASSET REGISTER**

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class.

sch ref

8	Operating Pressure	Asset Category	Asset Class	Units	Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1-4)
9	Intermediate Pressure	Main pipe	IP PE main pipe	km	2	2	0	3
10	Intermediate Pressure	Main pipe	IP steel main pipe	km	105	105	(0)	3
11	Intermediate Pressure	Main pipe	IP other main pipe	km	0	0	0	3
12	Intermediate Pressure	Service pipe	IP PE service pipe	km	0	0	-	3
13	Intermediate Pressure	Service pipe	IP steel service pipe	km	3	3	(0)	3
14	Intermediate Pressure	Service pipe	IP other service pipe	km	0	0	-	3
15	Intermediate Pressure	Stations	Intermediate pressure DRS	No.	51	52	1	3
16	Intermediate Pressure	Line valve	IP line valves	No.	129	126	(3)	3
17	Intermediate Pressure	Special crossings	IP crossings	No.	54	54	-	3
18	Medium Pressure	Main pipe	MP PE main pipe	km	1,853	1,856	3	3
19	Medium Pressure	Main pipe	MP steel main pipe	km	139	134	(5)	3
20	Medium Pressure	Main pipe	MP other main pipe	km	16	16	(0)	3
21	Medium Pressure	Service pipe	MP PE service pipe	km	1,020	1,028	8	3
22	Medium Pressure	Service pipe	MP steel service pipe	km	40	38	(2)	3
23	Medium Pressure	Service pipe	MP other service pipe	km	28	28	(0)	3
24	Medium Pressure	Stations	Medium pressure DRS	No.	43	45	2	3
25	Medium Pressure	Line valve	MP line valves	No.	767	762	(5)	3
26	Medium Pressure	Special crossings	MP special crossings	No.	161	160	(1)	3
27	Low Pressure	Main pipe	LP PE main pipe	km	3	3	0	3
28	Low Pressure	Main pipe	LP steel main pipe	km	3	3	0	3
29	Low Pressure	Main pipe	LP other main pipe	km	0	0	-	3
30	Low Pressure	Service pipe	LP PE service pipe	km	3	3	(0)	3
31	Low Pressure	Service pipe	LP steel service pipe	km	0	0	(0)	3
32	Low Pressure	Service pipe	LP other service pipe	km	1	1	-	3
33	Low Pressure	Line valve	LP line valves	No.	13	13	-	3
34	Low Pressure	Special crossings	LP special crossings	No.	-	-	-	3
35	All	Monitoring and control systems	Remote terminal units	No.	66	68	2	4
36	All	Cathodic protection systems	Cathodic protection	No.	37	37	-	3

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Lower

**SCHEDULE 9a: ASSET REGISTER**

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class.

sch ref

8	Operating Pressure	Asset Category	Asset Class	Units	Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1-4)
9	Intermediate Pressure	Main pipe	IP PE main pipe	km	1	1	-	3
10	Intermediate Pressure	Main pipe	IP steel main pipe	km	158	156	(2)	3
11	Intermediate Pressure	Main pipe	IP other main pipe	km	0	0	-	3
12	Intermediate Pressure	Service pipe	IP PE service pipe	km	0	0	0	3
13	Intermediate Pressure	Service pipe	IP steel service pipe	km	8	7	(0)	3
14	Intermediate Pressure	Service pipe	IP other service pipe	km	1	1	0	3
15	Intermediate Pressure	Stations	Intermediate pressure DRS	No.	78	78	-	3
16	Intermediate Pressure	Line valve	IP line valves	No.	535	534	(1)	3
17	Intermediate Pressure	Special crossings	IP crossings	No.	44	44	-	3
18	Medium Pressure	Main pipe	MP PE main pipe	km	1,689	1,704	15	3
19	Medium Pressure	Main pipe	MP steel main pipe	km	13	15	2	3
20	Medium Pressure	Main pipe	MP other main pipe	km	13	13	(0)	3
21	Medium Pressure	Service pipe	MP PE service pipe	km	899	908	9	3
22	Medium Pressure	Service pipe	MP steel service pipe	km	11	11	0	3
23	Medium Pressure	Service pipe	MP other service pipe	km	24	23	(0)	3
24	Medium Pressure	Stations	Medium pressure DRS	No.	25	26	1	3
25	Medium Pressure	Line valve	MP line valves	No.	589	612	23	3
26	Medium Pressure	Special crossings	MP special crossings	No.	96	95	(1)	3
27	Low Pressure	Main pipe	LP PE main pipe	km	13	6	(7)	3
28	Low Pressure	Main pipe	LP steel main pipe	km	1	0	(0)	3
29	Low Pressure	Main pipe	LP other main pipe	km	1	1	(0)	3
30	Low Pressure	Service pipe	LP PE service pipe	km	5	2	(3)	3
31	Low Pressure	Service pipe	LP steel service pipe	km	1	0	(0)	3
32	Low Pressure	Service pipe	LP other service pipe	km	0	0	(0)	3
33	Low Pressure	Line valve	LP line valves	No.	103	64	(39)	3
34	Low Pressure	Special crossings	LP special crossings	No.	-	-	-	3
35	All	Monitoring and control systems	Remote terminal units	No.	77	75	(2)	4
36	All	Cathodic protection systems	Cathodic protection	No.	18	18	-	3









Company Name

Powerco Limited

For Year Ended

30 September 2020

Network / Sub-network Name

Powerco Limited

### SCHEDULE 9c: REPORT ON PIPELINE DATA

This schedule requires a summary of the key characteristics of the pipeline network.

sch ref

#### 8 Network Information (end of year)

9	System length by material (defined by GDB)	Length (km)	%
10	PE	5,514	90.83%
11	Steel	474	7.81%
12	Other	83	1.36%
13	[Pipeline material 4 e.g, Steel, PE, Other]		-
14	[Pipeline material 5 e.g, Steel, PE, Other]		-
15	[Pipeline material 6 e.g, Steel, PE, Other]		-
16	<b>System length</b>	<b>6,070</b>	<b>100.00%</b>

18	By operating pressure:	System length (km) (at year end)	Weighted average pipe diameter (mm)	Number of ICPs (at year end)	Gas conveyed for Persons not involved in the GDB (TJ)
19	Intermediate pressure	276	134	280	1,893
20	Medium pressure	5,774	40	110,790	6,756
21	Low pressure	20	78	521	153
22	<b>Total</b>	<b>6,070</b>	<b>44</b>	<b>111,591</b>	<b>8,802</b>

Company Name

Powerco Limited

For Year Ended

30 September 2020

Network / Sub-network Name

Central

### SCHEDULE 9c: REPORT ON PIPELINE DATA

This schedule requires a summary of the key characteristics of the pipeline network.

sch ref

#### 8 Network Information (end of year)

9	System length by material (defined by GDB)	Length (km)	%
10	PE	2,892	89.81%
11	Steel	283	8.80%
12	Other	45	1.39%
13	[Pipeline material 4 e.g, Steel, PE, Other]		-
14	[Pipeline material 5 e.g, Steel, PE, Other]		-
15	[Pipeline material 6 e.g, Steel, PE, Other]		-
16	<b>System length</b>	<b>3,221</b>	<b>100.00%</b>

18	By operating pressure:	System length (km) (at year end)	Weighted average pipe diameter (mm)	Number of ICPs (at year end)	Gas conveyed for Persons not involved in the GDB (TJ)
19	Intermediate pressure	110	132	68	1,487
20	Medium pressure	3,100	37	46,047	3,469
21	Low pressure	10	49	286	17
22	<b>Total</b>	<b>3,221</b>	<b>40</b>	<b>46,401</b>	<b>4,973</b>

Company Name

Powerco Limited

For Year Ended

30 September 2020

Network / Sub-network Name

Lower

### SCHEDULE 9c: REPORT ON PIPELINE DATA

This schedule requires a summary of the key characteristics of the pipeline network.

sch ref

#### 8 Network Information (end of year)

9	System length by material (defined by GDB)	Length (km)	%
10	PE	2,622	92.00%
11	Steel	190	6.68%
12	Other	38	1.32%
13	[Pipeline material 4 e.g, Steel, PE, Other]		-
14	[Pipeline material 5 e.g, Steel, PE, Other]		-
15	[Pipeline material 6 e.g, Steel, PE, Other]		-
16	<b>System length</b>	<b>2,850</b>	<b>100.00%</b>

18	By operating pressure:	System length (km) (at year end)	Weighted average pipe diameter (mm)	Number of ICPs (at year end)	Gas conveyed for Persons not involved in the GDB (TJ)
19	Intermediate pressure	166	136	212	406
20	Medium pressure	2,674	44	64,743	3,286
21	Low pressure	10	108	235	137
22	<b>Total</b>	<b>2,850</b>	<b>50</b>	<b>65,190</b>	<b>3,829</b>

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Powerco Limited

**SCHEDULE 9d: REPORT ON DEMAND**

This schedule requires a summary of the key measures of network demand for the disclosure year (number of new connections including, maximum monthly loads and total gas conveyed)

sch ref

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**9d(i): Consumer Connections**

Number of ICPs connected in year by consumer type

Consumer types defined by GDB	Number of connections (ICPs)
Residential / Small Commercial	2,065
Commercial	107
Industrial	1
[GDB consumer type]	
[GDB consumer type]	
<b>Total</b>	<b>2,173</b>

**9d(ii): Gas Delivered**

Number of ICPs at year end	111,591	connections
Maximum daily load	42,596	(GJ per day)
Maximum monthly load	1,049,865	(GJ per month)
Number of directly billed ICPs	-	(at year end)
Total gas conveyed	8,867,204	(GJ per annum)
Average daily delivery	24,227	(GJ per day)
<b>Load factor</b>	<b>70.38%</b>	

Company Name

Powerco Limited

For Year Ended

30 September 2020

Network / Sub-network Name

Central

**SCHEDULE 9d: REPORT ON DEMAND**

This schedule requires a summary of the key measures of network demand for the disclosure year (number of new connections including, maximum monthly loads and total gas conveyed)

sch ref

8

9

**9d(i): Consumer Connections**

Number of ICPs connected in year by consumer type

10

11

12

Consumer types defined by GDB

Number of connections (ICPs)

13

Residential / Small Commercial

803

14

Commercial

50

15

Industrial

-

16

[GDB consumer type]

17

[GDB consumer type]

18

Total

853

19

**9d(ii): Gas Delivered**

20

21

Number of ICPs at year end

46,401

connections

22

Maximum daily load

21,137

(GJ per day)

23

Maximum monthly load

538,463

(GJ per month)

24

Number of directly billed ICPs

-

(at year end)

25

Total gas conveyed

5,011,241

(GJ per annum)

26

Average daily delivery

13,692

(GJ per day)

27

28

Load factor

77.55%



Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Lower

**SCHEDULE 9d: REPORT ON DEMAND**

This schedule requires a summary of the key measures of network demand for the disclosure year (number of new connections including, maximum monthly loads and total gas conveyed)

sch ref

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**9d(i): Consumer Connections**

Number of ICPs connected in year by consumer type

Consumer types defined by GDB	Number of connections (ICPs)
Residential / Small Commercial	1,262
Commercial	57
Industrial	1
[GDB consumer type]	
[GDB consumer type]	
<b>Total</b>	<b>1,320</b>

**9d(ii): Gas Delivered**

Number of ICPs at year end	65,190	connections
Maximum daily load	22,779	(GJ per day)
Maximum monthly load	511,402	(GJ per month)
Number of directly billed ICPs	-	(at year end)
Total gas conveyed	3,855,963	(GJ per annum)
Average daily delivery	10,535	(GJ per day)
<b>Load factor</b>	<b>62.83%</b>	

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Powerco Limited

**SCHEDULE 10a: REPORT ON NETWORK RELIABILITY AND INTERRUPTIONS**

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

sch ref

8 **10a(i): Interruptions**

9 **Interruptions by class**

	Actual
10 Class A (planned interruptions by GTB)	-
11 Class B (planned interruptions on the network)	177
12 Class C (unplanned interruptions on the network)	214
13 Class D (unplanned interruptions by GTB)	-
14 Class I (unplanned interruptions caused by third party damage)	160
15 <b>Total</b>	<b>551</b>

16 **Number of unplanned outage events (interruptions that affect more than 5 ICPs)**

	Actual
17 Wellington	1
18 Hutt Valley and Porirua	-
19 Taranaki	-
20 Manawatu & Horowhenua	1
21 Hawke's Bay	-

22 **Number of unplanned outage events caused by third party damage (interruptions that affect more than 5 ICPs)**

	Actual
23 Wellington	-
24 Hutt Valley and Porirua	-
25 Taranaki	-
26 Manawatu & Horowhenua	1
27 Hawke's Bay	-

28 **10a(ii): Reliability**

29 **Overall reliability**

	SAIDI	SAIFI	CAIDI
30 Based on the total number of interruptions	1,106.77	7.035	157.33
31 Class I (unplanned interruptions caused by third party damage)	181.98	1.822	99.89

32 **Class B (planned interruptions on the network)**

	SAIDI	SAIFI	CAIDI
33 Wellington	513.08	3.634	141.20
34 Hutt Valley and Porirua	1,143.16	4.187	273.01
35 Taranaki	651.61	2.604	250.25
36 Manawatu & Horowhenua	42.23	0.242	174.40
37 Hawke's Bay	-	-	-

38 **Class C (unplanned interruptions on the network)**

	SAIDI	SAIFI	CAIDI
39 Wellington	419.59	2.956	141.94
40 Hutt Valley and Porirua	336.47	2.761	121.89
41 Taranaki	332.74	1.803	184.58
42 Manawatu & Horowhenua	174.02	2.034	85.55
43 Hawke's Bay	16.77	0.361	46.50

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Central

**SCHEDULE 10a: REPORT ON NETWORK RELIABILITY AND INTERRUPTIONS**

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

sch ref

8 **10a(i): Interruptions**

9 **Interruptions by class**

	Actual
10 Class A (planned interruptions by GTB)	-
11 Class B (planned interruptions on the network)	29
12 Class C (unplanned interruptions on the network)	72
13 Class D (unplanned interruptions by GTB)	-
14 Class I (unplanned interruptions caused by third party damage)	43
15 <b>Total</b>	<b>144</b>

16 **Number of unplanned outage events (interruptions that affect more than 5 ICPs)**

	Actual
17 Taranaki	-
18 Manawatu & Horowhenua	1
19 Hawke's Bay	-
20 Region_04	-
21 Region_05	-

22 **Number of unplanned outage events caused by third party damage (interruptions that affect more than 5 ICPs)**

	Actual
23 Taranaki	-
24 Manawatu & Horowhenua	1
25 Hawke's Bay	-
26 Region_04	-
27 Region_05	-

28 **10a(ii): Reliability**

29 **Overall reliability**

	SAIDI	SAIFI	CAIDI
30 Based on the total number of interruptions	768.12	4.376	175.53
31 Class I (unplanned interruptions caused by third party damage)	242.88	1.386	175.19

32 **Class B (planned interruptions on the network)**

	SAIDI	SAIFI	CAIDI
33 Taranaki	651.61	2.604	250.25
34 Manawatu & Horowhenua	42.23	0.242	174.40
35 Hawke's Bay	-	-	-
36 Region_04	-	-	-
37 Region_05	-	-	-

38 **Class C (unplanned interruptions on the network)**

	SAIDI	SAIFI	CAIDI
39 Taranaki	332.74	1.803	184.58
40 Manawatu & Horowhenua	174.02	2.034	85.55
41 Hawke's Bay	16.77	0.361	46.50
42 Region_04	-	-	-
43 Region_05	-	-	-

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Lower

**SCHEDULE 10a: REPORT ON NETWORK RELIABILITY AND INTERRUPTIONS**

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

sch ref

8 **10a(i): Interruptions**

9 **Interruptions by class**

	Actual
10 Class A (planned interruptions by GTB)	-
11 Class B (planned interruptions on the network)	148
12 Class C (unplanned interruptions on the network)	142
13 Class D (unplanned interruptions by GTB)	-
14 Class I (unplanned interruptions caused by third party damage)	117
15 <b>Total</b>	<b>407</b>

16 **Number of unplanned outage events (interruptions that affect more than 5 ICPs)**

	Actual
17 Wellington	1
18 Hutt Valley and Porirua	-
19 Region_03	-
20 Region_04	-
21 Region_05	-

22 **Number of unplanned outage events caused by third party damage (interruptions that affect more than 5 ICPs)**

	Actual
23 Wellington	-
24 Hutt Valley and Porirua	-
25 Region_03	-
26 Region_04	-
27 Region_05	-

28 **10a(ii): Reliability**

29 **Overall reliability**

	SAIDI	SAIFI	CAIDI
30 Based on the total number of interruptions	1,348.33	8.931	150.96
31 Class I (unplanned interruptions caused by third party damage)	138.53	2.132	64.96

32 **Class B (planned interruptions on the network)**

	SAIDI	SAIFI	CAIDI
33 Wellington	513.08	3.634	141.20
34 Hutt Valley and Porirua	1,143.16	4.187	273.01
35 Region_03	-	-	-
36 Region_04	-	-	-
37 Region_05	-	-	-

38 **Class C (unplanned interruptions on the network)**

	SAIDI	SAIFI	CAIDI
39 Wellington	419.59	2.956	141.94
40 Hutt Valley and Porirua	336.47	2.761	121.89
41 Region_03	-	-	-
42 Region_04	-	-	-
43 Region_05	-	-	-

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Powerco Limited

**SCHEDULE 10b: REPORT ON NETWORK INTEGRITY AND CONSUMER SERVICE**

This schedule requires a summary of the key measures of network integrity (gas escapes, response time to emergencies etc) for the disclosure year.

sch ref

8 **10b(i): System Condition and Integrity**

9 **Number of confirmed public reported gas escapes per system length**  
(escapes/1000 km)

	Actual
Wellington	118.798
Hutt Valley and Porirua	127.291
Taranaki	26.089
Manawatu & Horowhenua	41.562
Hawke's Bay	5.763

15 **Number of leaks detected by routine survey per system length**  
(leaks/1000 km)

	Actual
Wellington	-
Hutt Valley and Porirua	14.801
Taranaki	-
Manawatu & Horowhenua	10.749
Hawke's Bay	-

21 **Number of third party damage events per system length**  
(events/1000 km)

	Actual
Wellington	58.965
Hutt Valley and Porirua	55.061
Taranaki	50.643
Manawatu & Horowhenua	49.445
Hawke's Bay	24.972

27 **Number of poor pressure events due to network causes**

	Actual
Wellington	1.000
Hutt Valley and Porirua	1.000
Taranaki	-
Manawatu & Horowhenua	-
Hawke's Bay	-

34 **Number of telephone calls to emergency numbers answered within 30 seconds**  
per total number of calls

	Actual
All regions	94.96%
Region_02	
Region_03	
Region_04	
Region_05	

The Commerce Commission has granted Powerco an exemption from reporting this information by region and subnetwork.

40 **Product control—safety of distribution gas**

	Actual
Number of non-compliant odour tests	4

42 **10b(ii): Consumer Service**

43 **Response time to emergencies (RTE)**

	Proportion of emergencies responded to within 1 hour (%)	Proportion of emergencies responded to within 3 hours (%)	Average call response time (hours)	Number of emergencies
Wellington	80.00%	100.00%	0.69	5
Hutt Valley and Porirua	100.00%	100.00%	0.36	8
Taranaki	100.00%	100.00%	0.46	10
Manawatu & Horowhenua	100.00%	100.00%	0.42	10
Hawke's Bay	100.00%	100.00%	0.35	1

49 **Number of complaints**

	Actual
Number of complaints per average total consumer numbers	0.0003

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Central

**SCHEDULE 10b: REPORT ON NETWORK INTEGRITY AND CONSUMER SERVICE**

This schedule requires a summary of the key measures of network integrity (gas escapes, response time to emergencies etc) for the disclosure year.

sch ref

8 **10b(i): System Condition and Integrity**

9 **Number of confirmed public reported gas escapes per system length**  
(escapes/1000 km)

	Actual
Taranaki	26.089
Manawatu & Horowhenua	41.562
Hawke's Bay	5.763
Region_04	
Region_05	

15 **Number of leaks detected by routine survey per system length**  
(leaks/1000 km)

	Actual
Taranaki	-
Manawatu & Horowhenua	10.749
Hawke's Bay	-
Region_04	
Region_05	

21 **Number of third party damage events per system length**  
(events/1000 km)

	Actual
Taranaki	50.643
Manawatu & Horowhenua	49.445
Hawke's Bay	24.972
Region_04	
Region_05	

27 **Number of poor pressure events due to network causes**

	Actual
Taranaki	-
Manawatu & Horowhenua	-
Hawke's Bay	-
Region_04	
Region_05	

34 **Number of telephone calls to emergency numbers answered within 30 seconds**  
per total number of calls

	Actual
All regions	94.96%
Region_02	
Region_03	
Region_04	
Region_05	

The Commerce Commission has granted Powerco an exemption from reporting this information by region and subnetwork.

40 **Product control—safety of distribution gas**

	Actual
Number of non-compliant odour tests	4

42 **10b(ii): Consumer Service**

43 **Response time to emergencies (RTE)**

	Proportion of emergencies responded to within 1 hour (%)	Proportion of emergencies responded to within 3 hours (%)	Average call response time (hours)	Number of emergencies
Taranaki	100.00%	100.00%	0.46	10
Manawatu & Horowhenua	100.00%	100.00%	0.42	10
Hawke's Bay	100.00%	100.00%	0.35	1
Region_04				
Region_05				

49 **Number of complaints**

	Actual
Number of complaints per average total consumer numbers	0.0002

Company Name	Powerco Limited
For Year Ended	30 September 2020
Network / Sub-network Name	Lower

**SCHEDULE 10b: REPORT ON NETWORK INTEGRITY AND CONSUMER SERVICE**

This schedule requires a summary of the key measures of network integrity (gas escapes, response time to emergencies etc) for the disclosure year.

sch ref

8 **10b(i): System Condition and Integrity**

9 **Number of confirmed public reported gas escapes per system length**  
(escapes/1000 km)

	Actual
Wellington	118.798
Hutt Valley and Porirua	127.291
Region_03	
Region_04	
Region_05	

15 **Number of leaks detected by routine survey per system length**  
(leaks/1000 km)

	Actual
Wellington	-
Hutt Valley and Porirua	14.801
Region_03	
Region_04	
Region_05	

21 **Number of third party damage events per system length**  
(events/1000 km)

	Actual
Wellington	58.965
Hutt Valley and Porirua	55.061
Region_03	
Region_04	
Region_05	

27 **Number of poor pressure events due to network causes**

	Actual
Wellington	1.000
Hutt Valley and Porirua	1.000
Region_03	
Region_04	
Region_05	

34 **Number of telephone calls to emergency numbers answered within 30 seconds**  
per total number of calls

	Actual
All regions	94.96%
Region_02	
Region_03	
Region_04	
Region_05	

Note: This entry may be excluded for sub-networks.  
The Commerce Commission has granted Powerco an exemption from reporting this information by region and subnetwork.

40 **Product control—safety of distribution gas**

	Actual
Number of non-compliant odour tests	-

42 **10b(ii): Consumer Service**

43 **Response time to emergencies (RTE)**

	Proportion of emergencies responded to within 1 hour (%)	Proportion of emergencies responded to within 3 hours (%)	Average call response time (hours)	Number of emergencies
Wellington	80.00%	100.00%	0.69	5
Hutt Valley and Porirua	100.00%	100.00%	0.36	8
Region_03				
Region_04				
Region_05				

49 **Number of complaints**

	Actual
Number of complaints per average total consumer numbers	0.0003

Company Name	Powerco Limited
For Year Ended	30 September 2020

## Schedule 14      Mandatory Explanatory Notes

*(Guidance Note: This Microsoft Word version of Schedules 14, 14a and 15 is from the Gas Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018. Clause references in this template are to that determination)*

1. This schedule requires GDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22 and subclauses 2.5.1(1)(e) and 2.5.2(1)(e).
2. This schedule is mandatory—GDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 11 of this schedule is part of the audited disclosure information, and so is subject to the assurance requirements specified in section 2.8.
3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for GDBs to give additional explanation of disclosed information should they elect to do so.

### *Return on Investment (Schedule 2)*

4. In the box below, comment on return on investment as disclosed in Schedule 2. This comment must include information on reclassified items in accordance with subclause 2.7.2(2).

**Box 1: Explanatory comment on return on investment**

The disclosed ROI under both a Vanilla and Post tax approach for 2020 is lower than 2019 primarily due to a decrease in commissioned assets (↓ \$7.6m, 32.5%). The 2019 commissioned assets was higher, primarily resulting from the commissioning of a new ERP system.

### *Regulatory Profit (Schedule 3)*

5. In the box below, comment on regulatory profit for the disclosure year as disclosed in Schedule 3. This comment must include-
  - 5.1 a description of material items included in other regulated income (other than gains / (losses) on asset disposals), as disclosed in 3(i) of Schedule 3
  - 5.2 information on reclassified items in accordance with subclause 2.7.1(2).



**Box 2: Explanatory comment on regulatory profit**

Regulatory profit for the year ended 30 September 2020 is \$16.28m reflecting a decrease of \$4.2m (20.4%) compared to the previous year. This was primarily due to increased depreciation (↑\$4.7m, 33.6%).

Other regulated income includes:

- reimbursement of costs arising from network damage caused by a third party (e.g. income received from insurers or directly from the third parties),
- recovery of bad debts, and
- revenue for shared corporate services provided by the regulated business to related parties.

**Merger and acquisition expenses (3(iv) of Schedule 3)**

6. If the GDB incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below:
- 6.1 information on reclassified items in accordance with subclause 2.7.1(2)
- 6.2 any other commentary on the benefits of the merger and acquisition expenditure to the GDB.

**Box 3: Explanatory comment on merger and acquisition expenditure**

No merger and acquisition expenditure has been incurred during the disclosure year.

**Value of the Regulatory Asset Base (Schedule 4)**

7. In the box below, comment on the value of the regulatory asset base (rolled forward) in Schedule 4. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

**Box 4: Explanatory comment on the value of the regulatory asset based (rolled forward)**

Closing RAB has increased by \$4.10m (1.07%) during the year to \$387.51m. This arose out of +\$16m commissioned assets, +\$5.4m revaluations, -\$19m depreciation, and +\$2m asset allocation.

When compared to the prior year assets commissioned decreased (↓ \$7.58m, 32.47%), depreciation increased (↑ \$4.72m, 33.62%), and the adjustment resulting from asset allocation also increased (↑ \$2.66m, 710.50%).

The decrease in assets commissioned assets is due to capitalisation of a new ERP system.

The implementation of a new ERP system has resulted in a change of approach to calculating depreciation. More detailed data is now available allowing depreciation to be calculated on an individual asset basis. Previously the depreciation calculation was based on pooled assets. This change has resulted in an increase in depreciation expense.

The increased adjustment resulting from asset allocation has arisen because an asset previously classified as a shared asset subject to asset allocation is now classified as a gas non-network asset.

This year Powerco has included a network disposal provision to reflect a more accurate balance. This is due to a lower number of disposal transactions being processed in the first year of a new ERP system.

We also note that Powerco has restated the 2020 opening works under construction (WUC) balance shown in Schedule 4 (iv). This one-off adjustment aligns internal management reporting to Information Disclosures. 2020 opening unallocated and allocated WUC increased by \$4.00m and \$0.63m respectively compared to the 2019 closing positions. This does not affect any other disclosure because WUC is not included in Closing RAB.

Due to ongoing data quality checks and updates to asset category mapping the following reclassifications have been disclosed as an Asset category transfer in Schedule 4 (vii).

Intermediate pressure main pipelines	Medium pressure main pipelines	Low pressure main pipelines	Service pipe	Stations	Line valve	Special crossings	Other network assets	Non-network assets	Total
-	-	-	-	-	-	-	(171)	171	(0)

*Regulatory tax allowance: disclosure of permanent differences (5a(i) of Schedule 5a)*

8. In the box below, provide descriptions and workings of the material items recorded in the following asterisked categories of 5a(i) of Schedule 5a-
  - 8.1 Income not included in regulatory profit / (loss) before tax but taxable
  - 8.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible
  - 8.3 Income included in regulatory profit / (loss) before tax but not taxable
  - 8.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax

**Box 5: Regulatory tax allowance: permanent differences**

- \$0.45m income is not included in regulatory profit / (loss) before tax but is taxable. This relates largely to customer contribution revenue that is recognised over 10 years for tax purposes.
- \$0.11m of expenditure in regulatory profit that is not deductible for tax relating to legal and entertainment expenditure.
- A revaluation gain on RAB of \$5.38m included in Regulatory Profit is not taxable.
- There is no income included in regulatory profit / (loss) before tax but not taxable.
- There is \$0.03m deductible for tax but not in regulatory profit / (loss) relating to interest on leases under NZ IFRS-16.

*Regulatory tax allowance: disclosure of temporary differences (5a(vi) of Schedule 5a)*

9. In the box below, provide descriptions and workings of material items recorded in the asterisked category 'Tax effect of other temporary differences' in 5a(vi) of Schedule 5a.

**Box 6: Tax effect of other temporary differences (current disclosure year)**

Temporary differences amount to \$0.3m relate to:

- \$0.4m related to CIW income that will be recognised as taxable income over a period of 10 years.
- - \$0.1m movement in other general provisions

The net tax effect is \$0.1m.

We also note that Powerco has restated the 2020 opening deferred tax balance shown in Schedule 5(a) (vi) to present a more exact closing balance. 2020 opening deferred tax increased by \$0.02m compared to the 2019 closing position and relates to a revision of the 2019 Amortisation of initial differences value. This does not affect any other disclosure.

*Cost allocation (Schedule 5d)*

10. In the box below, comment on cost allocation as disclosed in Schedule 5d. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

**Box 7: Cost allocation**

Powerco has adopted a fully distributed cost approach to allocate shared costs between Powerco's electricity distribution, gas distribution and unregulated businesses.

**Directly attributable costs**

\$11.71m operating costs (65.27% of total operating costs) are directly attributable to the gas distribution business (GDB) compared to \$10.84m in the previous disclosure year.

All operating costs except specified systems operations and network support (SONS) costs and specified business support costs are directly attributable to the specific regulated businesses. Costs that are directly attributable to the electricity distribution business primarily relate to:

- SONS (except network information services management costs)
- Network management and administration
- Customer related costs

**Proxy allocators**

Powerco adopts ABBA (accounting-based allocation approach) to determine the cost allocators that are used to allocate operating costs not directly attributable (less any arm's length deduction) to the gas distribution business or any other regulated service. If a causal relationship cannot be established between the cost incurred and the cost driver a proxy relationship may be used to determine the cost allocator.

Following analysis of each financial statement item by Powerco's management team and based on a combination of experience, knowledge, and the comparative sizes of Powerco's regulated businesses proxy relationships have been used to allocate operating costs for which a causal relationship cannot be established. The main reason a causal relationship cannot be established is because some costs do not have just one driver. The use of one cost allocator would unfairly effect the allocation of costs between regulated businesses.

**Costs not directly attributable**

\$6.23m operating costs (34.73% of total) that are not directly attributable to the GDB have been allocated to the GDB, compared to \$5.22m in the prior disclosure year.

Costs that are not directly attributable to the gas distribution business primarily relate to SONS network information services management and business support costs.

SONS network information services management costs include personnel costs and professional service fees. A proxy fixed asset allocator based on the carrying value of network fixed assets is used.

Business support costs include personnel, professional services, information technology, building & insurance, administration, and communication & marketing. The allocators vary as follows:

- Corporate services apply a proxy allocator of distribution line charge revenue
- Human resources apply a proxy allocator of employee numbers
- Regulatory management apply a causal allocation of managements estimate of staff time working on electricity regulated, other regulated and unregulated services and legal apply a proxy fixed asset allocator
- Insurance apply causal allocators of indemnity values, vehicle allocations and employee numbers
- Facility costs apply a causal allocator of employee numbers and a proxy fixed assets allocator
- Information systems and projects apply a proxy fixed asset allocator

Only one allocation methodology has been applied to each functional area and there have been no changes to any cost allocator used in the current disclosure year.

### *Asset allocation (Schedule 5e)*

11. In the box below, comment on asset allocation as disclosed in Schedule 5e. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

#### **Box 8: Commentary on asset allocation**

\$374.94m (96.62%) of the total RAB value is directly attributable to the gas distribution business (GDB). \$13.11m (3.38%) of the total RAB value is not directly attributable but has been allocated to the GDB. In the previous disclosure year, the proportionate split was 96.18% and 3.82% respectively.

The principles supporting Powerco's asset allocation are consistent with the principles supporting cost allocation described in Box 7.

Shared non-network assets have been allocated to the regulatory asset base based on the proxy allocator of fixed asset net book value.

Powerco has reclassified \$0.20m of assets. The details of this reclassification are provided in Box 4.

### *Capital Expenditure for the Disclosure Year (Schedule 6a)*

12. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6a. This comment must include-
- 12.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;
  - 12.2 information on reclassified items in accordance with subclause 2.7.1(2).

#### **Box 9: Explanation of capital expenditure for the disclosure year**

Expenditure on assets for the year ended September 2020 totalled \$17.97m which is \$0.75m (4.00%) less than the prior year (\$18.72m). This reflects decreased expenditure across all asset expenditure categories except asset replacement and renewal and asset relocations.

#### **Materiality threshold**

A number of capex project and programme classifications exist. Whether they are material is defined as follows:

- quality of supply and other network project - the project value exceeds \$0.10m in the disclosure year
- asset relocation project - the project value exceeds 40% of the category's total value
- other reliability, safety and environment project or programme - the project value exceeds 40% of the category's total value or \$0.10m

#### **Reclassified items**

No capital expenditure has been reclassified during the current disclosure year.

### *Operational Expenditure for the Disclosure Year (Schedule 6b)*

13. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-

- 13.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b
- 13.2 Information on reclassified items in accordance with subclause 2.7.1(2)
- 13.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 6b, including the value of the expenditure, the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.

**Box 10: Explanation of operational expenditure for the disclosure year**

Operating expenditure (opex) for the year ended September 2020 totalled \$17.95m which is \$1.89m (11.74%) more than the prior year (\$16.06m). Business support expenditure increased \$1.03m while asset replacement and renewal expenditure increased \$0.55m. Variances noted across the remaining opex categories are small and account for the balance of the total opex increase.

**Reclassified items**

No items have been reclassified during this disclosure year.

**Atypical expenditure**

There have been no material items of atypical expenditure.

*Variance between forecast and actual expenditure (Schedule 7)*

14. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

**Box 11: Explanatory comment on variance in actual to forecast expenditure**

Some movement in expenditure between categories has occurred. The reasons for variances are noted briefly below and commentary is provided for each category showing a forecast to actual variance of greater than 5% (subject to being material in dollar terms).

**Capital expenditure**

Overall network capital expenditure in the disclosure period is below the AMP forecast by \$0.80m (5.11%). In total, reactive and customer-driven activities, comprising the Consumer Connection, System Growth, and Asset Relocation categories, were consistent with the forecast for the year.

Planned activities, comprising the Asset Replacement and Renewal, Quality of Supply, Legislative and Regulatory, and Other Reliability, Safety and Environment expenditure categories, are under forecast by \$0.80m (9.89%).

The current disclosure year was impacted by higher than forecast connection numbers and connection rates. It is important to note, that the impact of the government's net-zero carbon policy on future connection numbers is difficult to assess at this stage and we have chosen to maintain a conservative forecasting approach.

Balancing our customer-driven activities and planned projects is necessary to meet our statutory capital expenditure requirements. Therefore, given the increased customer-driven activities, in a market with finite field resources, we decided to defer some lower-risk, non-urgent planned activities.

Examples of atypical expenditure in these categories include:

- Quality of Supply projects focused on the pressure increase project in Wellington CBD totalling \$2.10m.
- Protection of district regulator stations to reduce safety risks totalling \$0.42m.
- Installation of intermediate pressure valves to increase network reliability totalling \$0.35m.

Our focus for planned activities has been on:

- Installation of valves and renewal of district regulator stations for improved network safety and reliability.
- Prioritising the replacement of pipeline prone to leakage, and older, obsolete pressure regulation stations.

Overall non-network capital expenditure in the disclosure period is below the AMP forecast by 11% (\$0.28m).

Examples of atypical expenditure in these categories include:

- Implementation of a new enterprise asset management system totalling \$1.30m.

**Operational expenditure**

Operational expenditure in the disclosure period is above the AMP forecast by \$0.54m (3%) resulting from network operational expenditure being above forecast by \$0.61m (10%) and non-network operational expenditure being below forecast by \$0.08m (1%).

Expenditure was less than expected in relation to IS infrastructure, IS operations, and asset replacement and renewal.

Based on Powerco's capitalisation policy, the amount of costs capitalised in 2020 was consistent with the forecast and prior year. This was based on the nature and amount of qualifying expenditure in the current year.

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

15. In the box below, please explain reasons for any material differences between target revenue disclosed before the start of the pricing year in accordance with clause 2.4.1

and subclause 2.4.3(3), and total billed line charge revenue for the disclosure year as disclosed in Schedule 8.

**Box 12: Explanatory comment relating to revenue for the disclosure year**

Total line charge revenue for DY20 exceeded the target revenue forecast in the pricing methodology for the same period by \$0.62m (1.0%).

16. If price category codes or consumer groups (as applicable) have been changed in a disclosure year, please explain in the box below the effect of this on the allocation of ICPs, quantities and revenues between consumer groups disclosed in Schedule 8.

**Box 13: Explanatory comment relating to changed price category codes or consumer groups**

There was no change in price category codes or consumer groups during the disclosure period.

*Network Reliability for the Disclosure Year (Schedule 10a)*

17. In the box below, comment on network reliability for the disclosure year, as disclosed in Schedule 10a.

**Box 14: Commentary on network reliability for the disclosure year**

The amount of planned interruptions is consistent with our expectation.

The amount of unplanned interruptions has decreased (approx. 25%) compared to previous disclosures. Most of the unplanned interruptions are in the Lower Network region, due to the Wellington pressure upgrade project, and the replacement of pre-85 pipe in the Hutt Valley and Porirua regions.

The SAIDI value has increased (approx. 10%) from the previous disclosure. As discussed in previous information disclosures and previous Asset Management Plans, SAIDI remains a volatile measure which poorly reflects the actual performance of the overall gas distribution network.

*Insurance cover*

18. In the box below, provide details of any insurance cover for the assets used to provide gas pipeline services, including-
- 18.1 The GDB's approaches and practices in regard to the insurance of assets, including the level of insurance;
- 18.2 In respect of any self-insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.



**Box 15: Explanation of insurance cover**

Powerco holds significant insurance cover relating to material damage and business interruption, targeted at key assets. This includes full cover for buildings and contents, substations and IS server equipment, and natural disaster cover for distribution transformers and SCADA equipment.

Powerco's insurance strategy strikes a balance between providing the benefit to its customers of accessing material damage insurance cover that is available, and the practical imperative of managing the associated cost burden to customers. Cover for poles, wires, and pipes (commonly referred to as transmission and distribution cover) is, for all practical purposes, unavailable in NZ. Where it may be available in small amounts in our geographic region, the cost is uneconomic to our customers, as there is a restricted retained limit and a premium cost of 10-15% of the sum insured.

To manage Powerco's exposure to a catastrophic event affecting its uninsured assets, the company maintains headroom in its debt facilities as explained below. The geographically diverse nature of Powerco's assets, and the resilience of those assets, also provides some practical mitigation of seismic risks.

Powerco maintains debt facilities, in excess of net (drawn) debt, that would be available for use should events occur which require extra funds to be made available quickly. This headroom amount is more than our day-to-day working capital requirements.

The value of this facility headroom, currently \$70 million, is partly based on an assessment of the uninsured damage to Powerco's network assets undertaken by Marsh Risk Consulting. This analysis reviewed the catastrophic risk and expected loss from a catastrophic event and was last assessed at \$50-70 million.

Insurance costs are allocated to Powerco's separate businesses following Powerco's allocation policies discussed earlier in this document.

***Amendments to previously disclosed information***

19. In the box below, provide information about amendments to previously disclosed information disclosed in accordance with clause 2.12.1 in the last 7 years, including:
  - 19.1 a description of each error; and
  - 19.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.12.1 is publicly disclosed.

**Box 16: Disclosure of amendment to previously disclosed information**

There have been no amendments to previously disclosed information made in accordance with clause 2.12.1.

Company Name	Powerco Limited
For Year Ended	30 September 2020

### **Schedule 15: Voluntary Explanatory Notes**

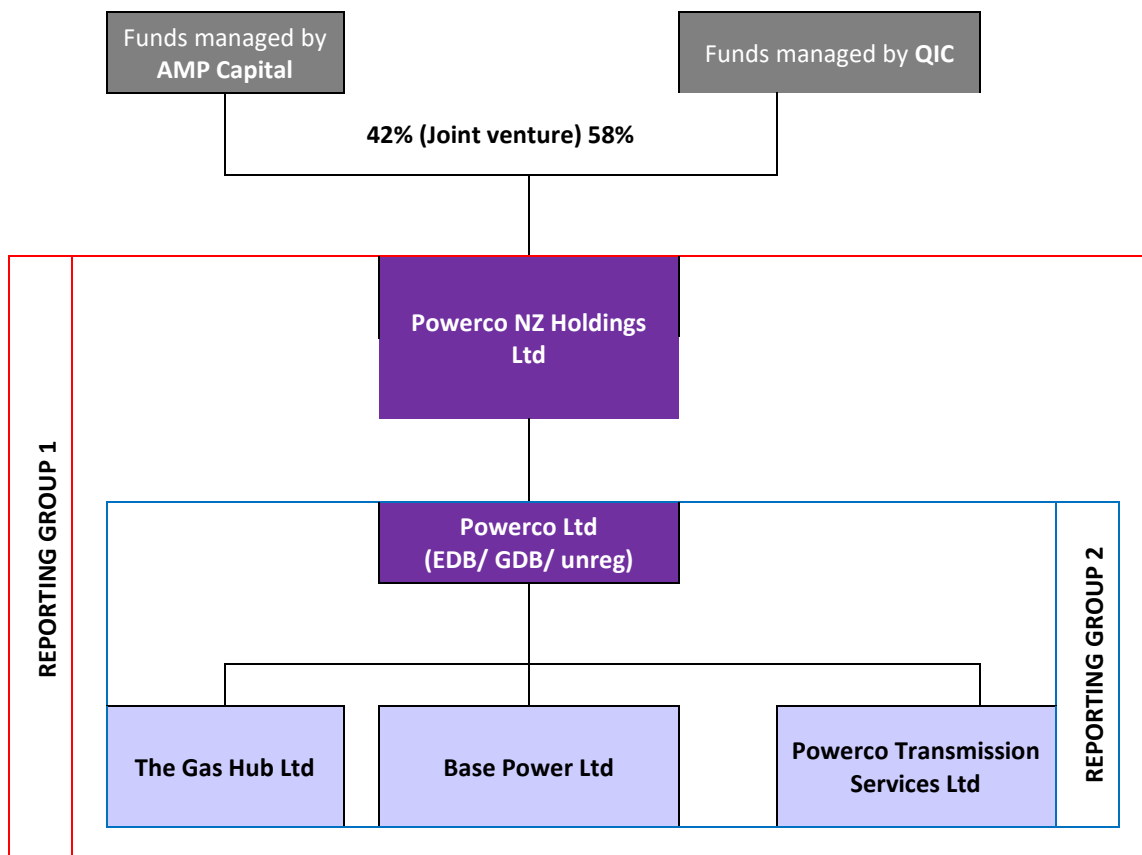
*(In this Schedule, clause references are to the Gas Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)*

1. This schedule enable GDBs to provide, should they wish to:
  - 1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, and 2.5.2.
  - 1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.
2. Information in this schedule is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.
3. Provide additional explanatory comment in the box below.

**Box 1: Voluntary explanatory comment on disclosed information**

**Related parties (schedule 5b)**

Referencing limb a) of the related party definition, Powerco Ltd's external related parties include:



- Powerco NZ Holdings Limited does not trade. Its purpose is to form a corporate group through share ownership.
- Powerco Limited is primarily a regulated electricity and gas distribution business. It also conduct's unregulated activities such as gas metering and includes a business development team to identify and take advantage of both regulated and unregulated opportunities. Powerco Limited provides business support services to Base Power Ltd and the unregulated 'parts' of the regulated business.
- The Gas Hub Limited and Powerco Transmission Limited are not active.
- Base Power Limited provides remote area power supply units to the market and Powerco's Electricity Distribution business.

Referencing limb b) of the related party definition, Powerco Ltd's internal related parties include:

- Gas metering

The Gas Distribution Business did not purchase any assets, goods, or services from any related party.

All related party transactions are valued on an equivalent arm's length basis. Powerco Limited has not adopted the consolidation approach. Depending on the type of transaction the valuation method may require the application of a:

- a) market-tested value; or
- b) market-tested margin.

Powerco applies a market-tested margin to regulatory income for business support services provided to

related parties. To ensure Powerco's valuation of related party transactions is based on an objective and independent measure PwC were engaged to report the margin benchmarks observed in the market for relevant corporate services.

- The equivalent arm's length value of services provided to related parties is \$0.52m, of which \$0.48m is allocated to Powerco's Gas Distribution business.

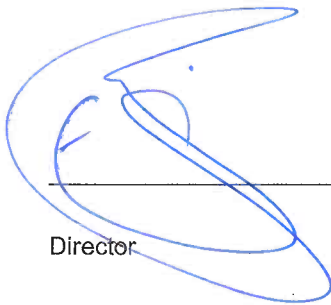
## Director's certificate for the Gas Distribution Information Disclosures

For the year 1 October 2019 – 30 September 2020

Pursuant to clause 2.9.3 of Section 2.9

We, JOHN LOUGHLIN, and PAUL CALLOW, being directors of Powerco Limited certify that, having made all reasonable enquiry, to the best of our knowledge:

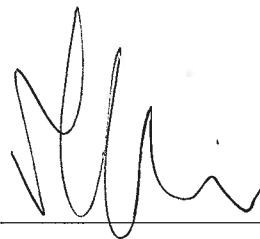
- a) the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2 and 2.7.1 of the Gas Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and
- b) the historical information used in the preparation of Schedules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



Director

JOHN LOUGHLIN

Date 26/03/21



Director

PAUL CALLOW

Date 26/03/21

Note: Section 103(2) of the Commerce Act 1986 provides that no person shall attempt to deceive or knowingly mislead the Commission in relation to any matter before it. It is an offence to contravene section 103(2) and any person who does so is liable on summary conviction to a fine not exceeding \$100,000 in the case of an individual or \$300,000 in the case of a body corporate.



**INDEPENDENT AUDITOR'S REPORT  
TO THE DIRECTORS OF POWERCO LIMITED AND THE COMMERCE COMMISSION**

**Report on the Disclosure Information prepared in accordance with the Gas Distribution Information Disclosure Determination 2012 (consolidated April 2018)**

We have conducted a reasonable assurance engagement on whether the information disclosed by Powerco Limited (the 'Company') required to be disclosed in accordance with the Gas Distribution Information Disclosure Determination 2012 (consolidated in April 2018) ('the Determination') for the disclosure year ended 30 September 2020, has been prepared, in all material respects, in accordance with the Information Disclosure Determination.

The information required to be reported by the Company, under the Information Disclosure Determination is in schedules 1 to 4, 5a to 5g, 6a and 6b, 7, the system average interruption duration index ('SAIDI') and system average interruption frequency index ('SAIFI') information disclosed in Schedule 10a(ii) and the explanatory notes in boxes 1 to 11 in Schedule 14 ('the Disclosure Information').

Further, we have conducted a reasonable assurance engagement on whether the Company's basis for valuation of related party transactions ('the Related Party Transaction Information') for the disclosure year ended 30 September 2020, has been prepared, in all material respects, in accordance with clause 2.3.6 of the Determination, and clauses 2.2.11(1)(g) and 2.2.11(5) of the Gas Distribution Services Input Methodologies Determination 2012 (consolidation 2018) ('the Input Methodologies Determination').

**Opinion**

This opinion has been formed on the basis of, and is subject to, the inherent limitations outlined elsewhere in this independent assurance report.

In our opinion:

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

**Basis of opinion**

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

These standards require that we comply with ethical requirements and plan and perform our assurance engagement to provide reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, with the Determination, and about whether the Related Party Transaction Information has been



prepared, in all material respects, with the Determination and the Input Methodologies Determination. Reasonable assurance is a high level of assurance.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

## Key assurance matters

Key assurance matters are those matters that, in our professional judgement, were of most significance in our audit of the Disclosure Information. These matters were addressed in the context of our audit of the Disclosure Information, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Key assurance matter

### How our audit addressed the key audit matter

#### Accuracy and Completeness of the number and duration of gas outages

The Information Disclosure Determination defines certain quality measures in relation to the number of interruptions, faults, cause of faults and the average System Average Interruption Duration Index ("SAIDI") and System Average Interruption Frequency Index ("SAIFI") values.

SAIDI and SAIFI is calculated using aggregate faults and interruptions information for the period through prescribed formulas and requirements per Schedule 10a(ii) of the Information Disclosure Determination.

The completeness and accuracy of SAIDI and SAIFI is a key assurance matter due to the reliance on manual switching sheets to inform the data entry of interruption information for a large volume of faults.

Our procedures on the completeness and accuracy of SAIDI and SAIFI included the following:

- Obtaining a robust understanding of the Company's methods for recording gas outages and their duration;
- Evaluating the design and implementation of key controls related to the recording and the reviewing of outage data;
- On a sample basis, we selected faults recorded on the outage database and traced the number of customers, number of minutes, the class type and fault cause to the information recorded on the outage listing;
- On a sample basis, we selected faults recorded on the switching sheets and traced the number of customers, number of minutes, the class type and fault cause to the information recorded in the system and the information recorded on the outage listing;
- selecting a sample of health and safety incidents reported and confirmed that they were correctly included/excluded in outage database. We also selected a sample of switching sheets to confirm that the details has been accurately reported in outage database and reported in the outage records;
- utilising media searches to determine whether gas interruption events in the media were appropriately recorded in the spreadsheet and the outage database; and
- recalculated SAIDI and SAIFI according to the methodology of the Gas Information Disclosure determination.

#### Classification of expenditure between operating and capital expenditure

The Company carries out a large number of individual network system projects that can be either operational (network maintenance) or capital (asset replacement or network growth) in nature. Capital expenditure in the current year was \$17.6 million and commissioned assets in to the RAB of \$15.8 million, compared to network operating expenditure of \$17.9 million.

Capital expenditure and assets commissioned into the RAB are a key assurance matter due to the significant judgment pertaining to the assessment of whether the capital expenditure and assets commissioned meet the definition under the Determination.

Our procedures on capital expenditure and commissioned assets into the RAB included the following:

- Assessing the Company's capitalisation policy was in line with NZ IAS 16 – Property, plant and equipment, NZ IAS 38 – Intangible assets and NZ IFRS 16 Lease;
- Evaluating the design and implementation of controls over the classification of network expenditure;
- Examining a sample of capital expenditure and assets included in the RAB to invoice(s) or other supporting information to determine whether the expenditure met the capitalisation criteria in the Determination; and

## Key assurance matter

## How our audit addressed the key audit matter

Comparing the assets commissioned into the RAB to those commissioned for financial statement purposes and investigating any significant variances.

### **Responsibilities of the Board of Directors for the Disclosure Information and Related Party Transaction Information**

The Board of Directors is responsible on behalf of the Company for the preparation of the Disclosure Information and Related Party Transaction Information in accordance with the Determination. The responsibility includes the design, implementation and maintenance of internal control relevant to the Company's preparation of the Disclosure Information and the Related Party Transaction Information with the Determination.

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

Our responsibility is to express an opinion whether the Disclosure Information and the Related Party Transaction Information has been prepared, in all material respects, in accordance with the Determination and the Input Methodologies Determination. SAE 3100 (Revised) requires that we plan and perform our procedures to obtain reasonable assurance that the Company has complied, in all material aspects, with the Determination and the Input Methodologies Determination in relation to the preparation of the Disclosure Information and the Related Party Transaction Information.

An assurance engagement to report on the Company's preparation of the Disclosure Information and the Related Party Transaction Information in accordance with the Determination and the Input Methodologies Determination involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the requirements of the Determination and the Input Methodologies Determination. The procedures selected depend on our judgement, including the identification and assessment of risk of material non-compliance with the Determination and the Input Methodologies Determination.

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

### **Inherent Limitations**

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

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

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





## **Our Independence and Quality Control**

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* ('PES-1') issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Other than in our capacity as independent auditor and the provision of other assurance services including the audit of regulatory disclosure statements, project quality assurance and trustee reporting, we have no relationship with or interests in the Company or any of its subsidiaries. These services have not impaired our independence as auditor of Powerco Limited.

The firm applies Professional and Ethical Standard 3 (Amended): *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* issued by the New Zealand Auditing and Assurance Standards Board, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Use of Report**

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

*Deloitte Limited*

**Chartered Accountants**  
26 March 2021  
Auckland, New Zealand