

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

Company Name

Wellington Electricity Lines Limited

Disclosure Date

31 August 2017

Disclosure Year (year ended)

31 March 2017

Templates for Schedules 1–10 excluding 5f–5g
Template Version 4.1. Prepared 24 March 2015

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Disclosure Template Instructions

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

Company Name and Dates

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

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

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

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

Data Entry Cells and Calculated Cells

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

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

Validation Settings on Data Entry Cells

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

Conditional Formatting Settings on Data Entry Cells

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

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

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

Schedule 9b cells AG10 to AG60 will change colour if the total assets at year end for each asset class does not equal the corresponding values in column I in Schedule 9a.

Schedule 9c cell G30 will change colour if G30 (overhead circuit length by terrain) does not equal G18 (overhead circuit length by operating voltage).

Inserting Additional Rows and Columns

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

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

Schedules 5d and 5e may require new cost or asset category rows to be inserted in allocation change tables 5d(iii) and 5e(ii). Accordingly, cell protection has been removed from rows 77 and 78 of the respective templates to allow blocks of rows to be copied. The four steps to add new cost category rows to table 5d(iii) are: Select Excel rows 69:77, copy, select Excel row 78, insert copied cells. Similarly, for table 5e(ii): Select Excel rows 70:78, copy, select Excel row 79, then insert copied cells.

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

Disclosures by Sub-Network

If the supplier has sub-networks, schedules 8, 9a, 9b, 9c, 9e, and 10 must be completed for the network and for each sub-network. A copy of the schedule worksheet(s) must be made for each sub-network and named accordingly.

Schedule References

The references labelled 'sch ref' in the leftmost column of each template are consistent with the row references in the Electricity Distribution ID Determination 2012 (as issued on 24 March 2015). They provide a common reference between the rows in the determination and the template.

Description of Calculation References

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

Worksheet Completion Sequence

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

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

Company Name

Wellington Electricity Lines Limited

For Year Ended

31 March 2017

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

1(i): Expenditure metrics

	Expenditure per GWh energy delivered to ICPs (\$/GWh)	Expenditure per average no. of ICPs (\$/ICP)	Expenditure per MW maximum coincident system demand (\$/MW)	Expenditure per km circuit length (\$/km)	Expenditure per MVA of capacity from EDB-owned distribution transformers (\$/MVA)
Operational expenditure	12,936	181	52,174	6,398	21,885
Network	6,190	87	24,965	3,061	10,472
Non-network	6,746	94	27,209	3,336	11,413
Expenditure on assets	15,674	219	63,216	7,752	26,517
Network	15,269	213	61,582	7,551	25,832
Non-network	405	6	1,633	200	685

1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs (\$/GWh)	Revenue per average no. of ICPs (\$/ICP)
Total consumer line charge revenue	73,918	1,033
Standard consumer line charge revenue	73,708	1,018
Non-standard consumer line charge revenue	91,623	178,705

1(iii): Service intensity measures

Demand density	123	Maximum coincident system demand per km of circuit length (for supply) (kW/km)
Volume density	495	Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)
Connection point density	35	Average number of ICPs per km of circuit length (for supply) (ICPs/km)
Energy intensity	13,977	Total energy delivered to ICPs per average number of ICPs (kWh/ICP)

1(iv): Composition of regulatory income

	(\$000)	% of revenue
Operational expenditure	30,075	17.41%
Pass-through and recoverable costs excluding financial incentives and wash-ups	70,726	40.95%
Total depreciation	26,498	15.34%
Total revaluations	12,800	7.41%
Regulatory tax allowance	12,575	7.28%
Regulatory profit/(loss) including financial incentives and wash-ups	45,074	26.10%
Total regulatory income	172,711	

1(v): Reliability

Interruption rate	10.34	Interruptions per 100 circuit km
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SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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

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

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

sch ref

2(i): Return on Investment		CY-2	CY-1	Current Year CY
		31 Mar 15	31 Mar 16	31 Mar 17
		%	%	%
ROI – comparable to a post tax WACC				
7	Reflecting all revenue earned	8.23%	5.53%	7.48%
11	Excluding revenue earned from financial incentives	8.23%	5.53%	7.48%
12	Excluding revenue earned from financial incentives and wash-ups	7.14%	5.53%	7.43%
Mid-point estimate of post tax WACC				
14	25th percentile estimate	6.10%	5.37%	4.77%
15	75th percentile estimate	5.39%	4.66%	4.05%
16		6.82%	6.09%	5.48%
ROI – comparable to a vanilla WACC				
19	Reflecting all revenue earned	9.01%	6.18%	8.03%
21	Excluding revenue earned from financial incentives	9.01%	6.18%	8.03%
22	Excluding revenue earned from financial incentives and wash-ups	7.93%	6.18%	7.97%
WACC rate used to set regulatory price path				
24		8.77%	7.19%	7.19%
Mid-point estimate of vanilla WACC				
26	25th percentile estimate	6.89%	6.02%	5.31%
27	75th percentile estimate	6.17%	5.30%	4.59%
28		7.60%	6.74%	6.03%
2(ii): Information Supporting the ROI		(\$000)		
32	Total opening RAB value	591,580		
33	plus Opening deferred tax	(27,615)		
34	Opening RIV		563,965	
36	Line charge revenue		171,853	
38	Expenses cash outflow	100,801		
39	add Assets commissioned	24,695		
40	less Asset disposals	16		
41	add Tax payments	9,467		
42	less Other regulated income	858		
43	Mid-year net cash outflows		134,089	
45	Term credit spread differential allowance		564	
47	Total closing RAB value	602,562		
48	less Adjustment resulting from asset allocation	-		
49	less Lost and found assets adjustment	-		
50	plus Closing deferred tax	(30,723)		
51	Closing RIV		571,839	
53	ROI – comparable to a vanilla WACC			8.03%
55	Leverage (%)			44%
56	Cost of debt assumption (%)			4.41%
57	Corporate tax rate (%)			28%
59	ROI – comparable to a post tax WACC			7.48%

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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

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

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

sch ref

2(iii): Information Supporting the Monthly ROI							
61							
62							
63	Opening RIV						N/A
64							
65							
66		Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
67	April						-
68	May						-
69	June						-
70	July						-
71	August						-
72	September						-
73	October						-
74	November						-
75	December						-
76	January						-
77	February						-
78	March						-
79	Total	-	-	-	-	-	-
80							
81	Tax payments						N/A
82							
83	Term credit spread differential allowance						N/A
84							
85	Closing RIV						N/A
86							
87							
88	Monthly ROI – comparable to a vanilla WACC						N/A
89							
90	Monthly ROI – comparable to a post tax WACC						N/A
91							
92	2(iv): Year-End ROI Rates for Comparison Purposes						
93							
94	Year-end ROI – comparable to a vanilla WACC						7.75%
95							
96	Year-end ROI – comparable to a post tax WACC						7.20%
97							
98	<i>* these year-end ROI values are comparable to the ROI reported in pre 2012 disclosures by EDBs and do not represent the Commission's current view on ROI.</i>						
99							
100	2(v): Financial Incentives and Wash-Ups						
101							
102	Net recoverable costs allowed under incremental rolling incentive scheme						-
103	Purchased assets – avoided transmission charge						-
104	Energy efficiency and demand incentive allowance						-
105	Quality incentive adjustment						-
106	Other financial incentives						-
107	Financial incentives						-
108							
109	Impact of financial incentives on ROI						-
110							
111	Input methodology claw-back						-
112	Recoverable customised price-quality path costs						-
113	Catastrophic event allowance						-
114	Capex wash-up adjustment						434
115	Transmission asset wash-up adjustment						-
116	2013–2015 NPV wash-up allowance						-
117	Reconsideration event allowance						-
118	Other wash-ups						-
119	Wash-up costs						434
120							
121	Impact of wash-up costs on ROI						0.06%

Company Name **Wellington Electricity Lines Limited**For Year Ended **31 March 2017****SCHEDULE 3: REPORT ON REGULATORY PROFIT**

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

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

sch ref

3(i): Regulatory Profit		(\$000)
7	Income	
8	Line charge revenue	171,853
9	<i>plus</i> Gains / (losses) on asset disposals	0
10	<i>plus</i> Other regulated income (other than gains / (losses) on asset disposals)	858
11		
12	Total regulatory income	172,711
13	Expenses	
14	<i>less</i> Operational expenditure	30,075
15		
16	<i>less</i> Pass-through and recoverable costs excluding financial incentives and wash-ups	70,726
17		
18	Operating surplus / (deficit)	71,911
19		
20	<i>less</i> Total depreciation	26,498
21		
22	<i>plus</i> Total revaluations	12,800
23		
24	Regulatory profit / (loss) before tax	58,213
25		
26	<i>less</i> Term credit spread differential allowance	564
27		
28	<i>less</i> Regulatory tax allowance	12,575
29		
30	Regulatory profit/(loss) including financial incentives and wash-ups	45,074
31		
32		
33	3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups	(\$000)
34	Pass through costs	
35	Rates	2,829
36	Commerce Act levies	221
37	Industry levies	550
38	CPP specified pass through costs	-
39	Recoverable costs excluding financial incentives and wash-ups	
40	Electricity lines service charge payable to Transpower	63,360
41	Transpower new investment contract charges	1,194
42	System operator services	
43	Distributed generation allowance	2,572
44	Extended reserves allowance	
45	Other recoverable costs excluding financial incentives and wash-ups	
46	Pass-through and recoverable costs excluding financial incentives and wash-ups	70,726
47		

Company Name **Wellington Electricity Lines Limited**

For Year Ended **31 March 2017**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

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

sch ref

		(\$000)	
		CY-1	CY
		31 Mar 16	31 Mar 17
48	3(iii): Incremental Rolling Incentive Scheme		
49			
50			
51	Allowed controllable opex	-	-
52	Actual controllable opex	-	-
53			
54	Incremental change in year		-
55			
56		Previous years' incremental change	Previous years' incremental change adjusted for inflation
57	CY-5 31 Mar 12	-	-
58	CY-4 31 Mar 13	-	-
59	CY-3 31 Mar 14	-	-
60	CY-2 31 Mar 15	-	-
61	CY-1 31 Mar 16	-	-
62	Net incremental rolling incentive scheme		-
63			
64	Net recoverable costs allowed under incremental rolling incentive scheme		-
65	3(iv): Merger and Acquisition Expenditure		
66			(\$000)
67	Merger and acquisition expenditure		-
68	<i>Provide commentary on the benefits of merger and acquisition expenditure to the electricity distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)</i>		
69	3(v): Other Disclosures		
70			(\$000)
71	Self-insurance allowance		-

Company Name **Wellington Electricity Lines Limited**
 For Year Ended **31 March 2017**

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

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

sch ref

4(i): Regulatory Asset Base Value (Rolled Forward)		for year ended					
		RAB 31 Mar 13 (\$000)	RAB 31 Mar 14 (\$000)	RAB 31 Mar 15 (\$000)	RAB 31 Mar 16 (\$000)	RAB 31 Mar 17 (\$000)	
7							
8							
9							
10	Total opening RAB value	555,210	555,990	569,510	586,689	591,580	
11							
12	less Total depreciation	26,060	26,602	21,397	24,829	26,498	
13							
14	plus Total revaluations	4,742	8,518	476	3,438	12,800	
15							
16	plus Assets commissioned	22,099	31,975	38,100	26,282	24,695	
17							
18	less Asset disposals	1	371	-	-	16	
19							
20	plus Lost and found assets adjustment	-	-	-	-	-	
21							
22	plus Adjustment resulting from asset allocation	-	0	(0)	-	-	
23							
24	Total closing RAB value	555,990	569,510	586,689	591,580	602,562	
25							
26	4(ii): Unallocated Regulatory Asset Base						
27							
28							
29	Total opening RAB value		Unallocated RAB * (\$000)	591,580	RAB (\$000)	591,580	
30	less						
31	Total depreciation			26,498		26,498	
32	plus						
33	Total revaluations			12,800		12,800	
34	plus						
35	Assets commissioned (other than below)		21,669		21,669		
36	Assets acquired from a regulated supplier		-		-		
37	Assets acquired from a related party		3,026		3,026		
38	Assets commissioned			24,695		24,695	
39	less						
40	Asset disposals (other than below)		16		16		
41	Asset disposals to a regulated supplier		-		-		
42	Asset disposals to a related party		-		-		
43	Asset disposals			16		16	
44							
45	plus Lost and found assets adjustment			-		-	
46							
47	plus Adjustment resulting from asset allocation					-	
48							
49	Total closing RAB value			602,562		602,562	

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

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

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

sch ref

51							
52	4(iii): Calculation of Revaluation Rate and Revaluation of Assets						
53							
54	CPI _t						1.22%
55	CPI _{t-4}						1.20%
56	Revaluation rate (%)						2.17%
57							
58							
59							
60	Total opening RAB value						
61	less Opening value of fully depreciated, disposed and lost assets						
62							
63	Total opening RAB value subject to revaluation						
64	Total revaluations						
65							
66	4(iv): Roll Forward of Works Under Construction						
67							
68	Works under construction—preceding disclosure year						
69	plus Capital expenditure						
70	less Assets commissioned						
71	plus Adjustment resulting from asset allocation						
72	Works under construction - current disclosure year						
73							
74	Highest rate of capitalised finance applied						5.23%
75							

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

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

sch ref

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

	Unallocated RAB *		RAB	
	(\$000)	(\$000)	(\$000)	(\$000)
79 Depreciation - standard	23,108		23,108	
80 Depreciation - no standard life assets	3,390		3,390	
81 Depreciation - modified life assets	-		-	
82 Depreciation - alternative depreciation in accordance with CPP	-		-	
83 Total depreciation		26,498		26,498

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

(\$000 unless otherwise specified)

86 Asset or assets with changes to depreciation*	87 Reason for non-standard depreciation (text entry)	88 Depreciation charge for the period (RAB)	89 Closing RAB value under 'non-standard' depreciation	90 Closing RAB value under 'standard' depreciation
91 N/A				
92				
93				
94				
95				

* include additional rows if needed

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

(\$000 unless otherwise specified)

	Subtransmission lines	Subtransmission cables	Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total
98 Total opening RAB value	2,553	56,565	51,074	130,513	213,108	87,332	31,563	9,708	9,164	591,580
99 less Total depreciation	181	3,230	2,885	4,636	7,986	3,616	2,187	268	1,510	26,498
100 plus Total revaluations	56	1,109	1,198	2,963	4,596	1,878	648	155	199	12,800
101 plus Assets commissioned	-	-	2,437	9,437	2,191	5,952	2,183	1,167	1,329	24,695
102 less Asset disposals	-	-	-	-	-	-	-	16	-	16
103 plus Lost and found assets adjustment	-	-	-	-	-	-	-	-	-	-
104 plus Adjustment resulting from asset allocation	-	-	-	-	-	-	-	-	-	-
105 plus Asset category transfers	-	-	-	-	-	-	-	-	-	-
106 Total closing RAB value	2,428	54,444	51,823	138,277	211,909	91,545	32,207	10,746	9,182	602,562
107										
108 Asset Life										
109 Weighted average remaining asset life	14	18	18	28	27	24	14	36	6	(years)
110 Weighted average expected total asset life	47	57	45	56	56	53	39	37	11	(years)
111										

SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

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

sch ref

			(\$000)
7	5a(i): Regulatory Tax Allowance		
8	Regulatory profit / (loss) before tax		58,213
9			
10	<i>plus</i> Income not included in regulatory profit / (loss) before tax but taxable	-	*
11	Expenditure or loss in regulatory profit / (loss) before tax but not deductible	94	*
12	Amortisation of initial differences in asset values	7,151	
13	Amortisation of revaluations	3,514	
14			10,759
15			
16	<i>less</i> Total revaluations	12,800	
17	Income included in regulatory profit / (loss) before tax but not taxable	-	*
18	Discretionary discounts and customer rebates	-	
19	Expenditure or loss deductible but not in regulatory profit / (loss) before tax	-	*
20	Notional deductible interest	11,262	
21			24,062
22			
23	Regulatory taxable income		44,910
24			
25	<i>less</i> Utilised tax losses	-	
26	Regulatory net taxable income		44,910
27			
28	Corporate tax rate (%)	28%	
29	Regulatory tax allowance		12,575

* Workings to be provided in Schedule 14

5a(ii): Disclosure of Permanent Differences

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

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

(\$000)

36	Opening unamortised initial differences in asset values	112,512	
37	<i>less</i> Amortisation of initial differences in asset values	7,151	
38	<i>plus</i> Adjustment for unamortised initial differences in assets acquired	-	
39	<i>less</i> Adjustment for unamortised initial differences in assets disposed	-	
40	Closing unamortised initial differences in asset values		105,361
41			
42	Opening weighted average remaining useful life of relevant assets (years)		16
43			

SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

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

sch ref

44	5a(iv): Amortisation of Revaluations		(\$000)
45			
46	Opening sum of RAB values without revaluations	549,170	
47			
48	Adjusted depreciation	22,984	
49	Total depreciation	26,498	
50	Amortisation of revaluations		3,514
51			
52	5a(v): Reconciliation of Tax Losses		(\$000)
53			
54	Opening tax losses	-	
55	plus Current period tax losses	-	
56	less Utilised tax losses	-	
57	Closing tax losses		-
58	5a(vi): Calculation of Deferred Tax Balance		(\$000)
59			
60	Opening deferred tax	(27,615)	
61			
62	plus Tax effect of adjusted depreciation	6,435	
63			
64	less Tax effect of tax depreciation	8,041	
65			
66	plus Tax effect of other temporary differences*	504	
67			
68	less Tax effect of amortisation of initial differences in asset values	2,002	
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	4	
73			
74	plus Deferred tax cost allocation adjustment	-	
75			
76	Closing deferred tax		(30,723)
77			
78	5a(vii): Disclosure of Temporary Differences		
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	5a(viii): Regulatory Tax Asset Base Roll-Forward		
82			(\$000)
83	Opening sum of regulatory tax asset values	356,591	
84	less Tax depreciation	28,719	
85	plus Regulatory tax asset value of assets commissioned	25,194	
86	less Regulatory tax asset value of asset disposals	30	
87	plus Lost and found assets adjustment	-	
88	plus Adjustment resulting from asset allocation	-	
89	plus Other adjustments to the RAB tax value	(1,935)	
90	Closing sum of regulatory tax asset values		351,100

SCHEDULE 5b: REPORT ON RELATED PARTY TRANSACTIONS

This schedule provides information on the valuation of related party transactions, in accordance with section 2.3.6 and 2.3.7 of the ID 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

5b(i): Summary—Related Party Transactions

	(\$000)
Total regulatory income	12
Operational expenditure	10,480
Capital expenditure	3,026
Market value of asset disposals	
Other related party transactions	

5b(ii): Entities Involved in Related Party Transactions

Name of related party	Related party relationship
International Infrastructure Services Company Limited - NZ Branch (IISC)	Same ultimate controlling party CK Hutchison Holdings Limited
CHED Services Pty Limited	Same ultimate controlling party CK Hutchison Holdings Limited
Cheung Kong Infrastructure Holdings Limited	Shareholder with same ultimate controlling party
Power Assets Holdings Limited	Shareholder with same ultimate controlling party
Enviro NZ	Same ultimate controlling party CK Hutchison Holdings Limited

* include additional rows if needed

5b(iii): Related Party Transactions

Name of related party	Related party transaction type	Description of transaction	Value of transaction (\$000)	Basis for determining value
International Infrastructure Services Company Limited - NZ Branch	Opex	Back office, IT support services and systems operations	6,578	ID clause 2.3.6(1)(f)
International Infrastructure Services Company Limited - NZ Branch	Opex	Electrical contracting services	3,710	ID clause 2.3.6(1)(b)
Cheung Kong Infrastructure Holdings Limited	Opex	Back office and IT support services	193	ID clause 2.3.6(1)(f)
CHED Services Pty Limited	Capex	Creation and installation of software and system enhancements	781	IM clause 2.2.11(5)(a)(i)
International Infrastructure Services Company Limited - NZ Branch	Capex	Project Management	2,245	IM clause 2.2.11(5)(a)(i)
Enviro (NZ) Limited	Sales	Cost Recovery	12	ID clause 2.3.6(1)(f)
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]
	[Select one]			[Select one]

* include additional rows if needed

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	5c(i): Qualifying Debt (may be Commission only)		
9			
17			
18	5c(ii): Attribution of Term Credit Spread Differential		
19			
20	Gross term credit spread differential		1,554
21			
22	Total book value of interest bearing debt	723,797	
23	Leverage	44%	
24	Average opening and closing RAB values	597,071	
25	Attribution Rate (%)		36%
26			
27	Term credit spread differential allowance		564

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

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

sch ref

		Value allocated (\$000s)			OVABAA allocation increase (\$000s)
		Arm's length deduction	Electricity distribution services	Non-electricity distribution services	
7	5d(i): Operating Cost Allocations				
8					
9					
10	Service interruptions and emergencies				
11	Directly attributable		3,437		
12	Not directly attributable	-	-	-	-
13	Total attributable to regulated service		3,437		
14	Vegetation management				
15	Directly attributable		1,340		
16	Not directly attributable	-	-	-	-
17	Total attributable to regulated service		1,340		
18	Routine and corrective maintenance and inspection				
19	Directly attributable		8,708		
20	Not directly attributable	-	-	-	-
21	Total attributable to regulated service		8,708		
22	Asset replacement and renewal				
23	Directly attributable		906		
24	Not directly attributable	-	-	-	-
25	Total attributable to regulated service		906		
26	System operations and network support				
27	Directly attributable		4,185		
28	Not directly attributable	-	-	-	-
29	Total attributable to regulated service		4,185		
30	Business support				
31	Directly attributable		11,499		
32	Not directly attributable	-	-	-	-
33	Total attributable to regulated service		11,499		
34					
35	Operating costs directly attributable		30,075		
36	Operating costs not directly attributable	-	-	-	-
37	Operational expenditure		30,075		
38					

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

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

sch ref

39	5d(ii): Other Cost Allocations			
40	Pass through and recoverable costs		(\$000)	
41	Pass through costs			
42	Directly attributable		3,600	
43	Not directly attributable		-	
44	Total attributable to regulated service		3,600	
45	Recoverable costs			
46	Directly attributable		67,125	
47	Not directly attributable		-	
48	Total attributable to regulated service		67,125	
49				
50	5d(iii): Changes in Cost Allocations* †			
51			(\$000)	
52	Change in cost allocation 1		CY-1	Current Year (CY)
53	Cost category	-	-	-
54	Original allocator or line items	-	-	-
55	New allocator or line items	-	-	-
56				
57	Rationale for change	N/A		
58				
59				
60			(\$000)	
61	Change in cost allocation 2		CY-1	Current Year (CY)
62	Cost category	-	-	-
63	Original allocator or line items	-	-	-
64	New allocator or line items	-	-	-
65				
66	Rationale for change	N/A		
67				
68				
69			(\$000)	
70	Change in cost allocation 3		CY-1	Current Year (CY)
71	Cost category	-	-	-
72	Original allocator or line items	-	-	-
73	New allocator or line items	-	-	-
74				
75	Rationale for change	N/A		
76				
77				

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

† include additional rows if needed

SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

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

sch ref

5e(i): Regulated Service Asset Values		Value allocated (\$000s) Electricity distribution services
7		
8		
9		
10	Subtransmission lines	
11	Directly attributable	2,428
12	Not directly attributable	-
13	Total attributable to regulated service	2,428
14	Subtransmission cables	
15	Directly attributable	54,444
16	Not directly attributable	-
17	Total attributable to regulated service	54,444
18	Zone substations	
19	Directly attributable	51,823
20	Not directly attributable	-
21	Total attributable to regulated service	51,823
22	Distribution and LV lines	
23	Directly attributable	138,277
24	Not directly attributable	-
25	Total attributable to regulated service	138,277
26	Distribution and LV cables	
27	Directly attributable	211,909
28	Not directly attributable	-
29	Total attributable to regulated service	211,909
30	Distribution substations and transformers	
31	Directly attributable	91,545
32	Not directly attributable	-
33	Total attributable to regulated service	91,545
34	Distribution switchgear	
35	Directly attributable	32,207
36	Not directly attributable	-
37	Total attributable to regulated service	32,207
38	Other network assets	
39	Directly attributable	10,746
40	Not directly attributable	-
41	Total attributable to regulated service	10,746
42	Non-network assets	
43	Directly attributable	9,182
44	Not directly attributable	-
45	Total attributable to regulated service	9,182
46		
47	Regulated service asset value directly attributable	602,562
48	Regulated service asset value not directly attributable	-
49	Total closing RAB value	602,562
50		

5e(ii): Changes in Asset Allocations* †		(\$000)	
		CY-1	Current Year (CY)
51			
52			
53	Change in asset value allocation 1		
54	Asset category	-	-
55	Original allocator or line items	-	-
56	New allocator or line items	-	-
57			
58	Rationale for change	N/A	
59			
60			
61			
62	Change in asset value allocation 2		
63	Asset category	-	-
64	Original allocator or line items	-	-
65	New allocator or line items	-	-
66			
67	Rationale for change	N/A	
68			
69			
70			
71	Change in asset value allocation 3		
72	Asset category	-	-
73	Original allocator or line items	-	-
74	New allocator or line items	-	-
75			
76	Rationale for change	N/A	
77			
78			

* 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 compone.
 † include additional rows if needed

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

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

sch ref

	(\$000)	(\$000)
6a(i): Expenditure on Assets		
Consumer connection		7,597
System growth		154
Asset replacement and renewal		22,864
Asset relocations		3,237
Reliability, safety and environment:		
Quality of supply	1,153	
Legislative and regulatory	-	
Other reliability, safety and environment	493	
Total reliability, safety and environment		1,646
Expenditure on network assets		35,499
Expenditure on non-network assets		941
Expenditure on assets		36,440
plus Cost of financing		168
less Value of capital contributions		7,317
plus Value of vested assets		-
Capital expenditure		29,291
6a(ii): Subcomponents of Expenditure on Assets (where known)		(\$000)
Energy efficiency and demand side management, reduction of energy losses		-
Overhead to underground conversion		-
Research and development		-
6a(iii): Consumer Connection		
<i>Consumer types defined by EDB*</i>	(\$000)	(\$000)
Substation	3,191	
Subdivision	2,092	
High Voltage Connection	-	
Residential & Commercial Customers (Low Voltage)	2,253	
Public lighting	61	
<i>* include additional rows if needed</i>		
Consumer connection expenditure		7,597
less Capital contributions funding consumer connection expenditure	6,098	
Consumer connection less capital contributions		1,499
6a(iv): System Growth and Asset Replacement and Renewal		
	System Growth	Replacement and Renewal
	(\$000)	(\$000)
Subtransmission	64	281
Zone substations	54	1,269
Distribution and LV lines	-	10,098
Distribution and LV cables	-	464
Distribution substations and transformers	35	6,303
Distribution switchgear	-	3,679
Other network assets	-	770
System growth and asset replacement and renewal expenditure	154	22,864
less Capital contributions funding system growth and asset replacement and renewal	-	11
System growth and asset replacement and renewal less capital contributions	154	22,853
6a(v): Asset Relocations		
<i>Project or programme*</i>	(\$000)	(\$000)
Pole Replacements	1,721	
Transmission Gully	593	
Hayward's Relocation of 11kV Cables	272	
[Description of material project or programme]		
[Description of material project or programme]		
<i>* include additional rows if needed</i>		
All other projects or programmes - asset relocations	651	
Asset relocations expenditure		3,237
less Capital contributions funding asset relocations	1,208	
Asset relocations less capital contributions		2,030

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

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

sch ref

68				
69	6a(vi): Quality of Supply			
70	<i>Project or programme*</i>		(\$000)	(\$000)
71	Generators		500	
72	Critical Spares		338	
73	Reliability Improvement Projects		315	
74	[Description of material project or programme]			
75	[Description of material project or programme]			
76	<i>* include additional rows if needed</i>			
77	All other projects programmes - quality of supply		-	
78	Quality of supply expenditure			1,153
79	less Capital contributions funding quality of supply		-	
80	Quality of supply less capital contributions			1,153
81	6a(vii): Legislative and Regulatory			
82	<i>Project or programme*</i>		(\$000)	(\$000)
83	[Description of material project or programme]		-	
84	[Description of material project or programme]			
85	[Description of material project or programme]			
86	[Description of material project or programme]			
87	[Description of material project or programme]			
88	<i>* include additional rows if needed</i>			
89	All other projects or programmes - legislative and regulatory		-	
90	Legislative and regulatory expenditure			-
91	less Capital contributions funding legislative and regulatory		-	
92	Legislative and regulatory less capital contributions			-
93	6a(viii): Other Reliability, Safety and Environment			
94	<i>Project or programme*</i>		(\$000)	(\$000)
95	Seismic Strengthening		493	
96	[Description of material project or programme]			
97	[Description of material project or programme]			
98	[Description of material project or programme]			
99	[Description of material project or programme]			
100	<i>* include additional rows if needed</i>			
101	All other projects or programmes - other reliability, safety and environment		-	
102	Other reliability, safety and environment expenditure			493
103	less Capital contributions funding other reliability, safety and environment		-	
104	Other reliability, safety and environment less capital contributions			493
105				
106	6a(ix): Non-Network Assets			
107	Routine expenditure			
108	<i>Project or programme*</i>		(\$000)	(\$000)
109	Software		820	
110	Office Equipment		121	
111	[Description of material project or programme]			
112	[Description of material project or programme]			
113	[Description of material project or programme]			
114	<i>* include additional rows if needed</i>			
115	All other projects or programmes - routine expenditure		-	
116	Routine expenditure			941
117	Atypical expenditure			
118	<i>Project or programme*</i>		(\$000)	(\$000)
119	[Description of material project or programme]			
120	[Description of material project or programme]			
121	[Description of material project or programme]			
122	[Description of material project or programme]			
123	[Description of material project or programme]			
124	<i>* include additional rows if needed</i>			
125	All other projects or programmes - atypical expenditure		-	
126	Atypical expenditure			-
127				
128	Expenditure on non-network assets			941

Company Name **Wellington Electricity Lines Limited**

For Year Ended **31 March 2017**

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

This schedule requires a breakdown of operational expenditure incurred in the disclosure year.

EDBs must provide explanatory comment on their operational expenditure in Schedule 14 (Explanatory notes to templates). This includes explanatory comment on any atypical operational expenditure and assets replaced or renewed as part of asset replacement and renewal operational expenditure, and additional information on insurance.

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

sch ref

		(\$000)	(\$000)
7	6b(i): Operational Expenditure		
8	Service interruptions and emergencies	3,437	
9	Vegetation management	1,340	
10	Routine and corrective maintenance and inspection	8,708	
11	Asset replacement and renewal	906	
12	Network opex		14,391
13	System operations and network support	4,185	
14	Business support	11,499	
15	Non-network opex		15,684
16			
17	Operational expenditure		30,075
18	6b(ii): Subcomponents of Operational Expenditure (where known)		
19	Energy efficiency and demand side management, reduction of energy losses		-
20	Direct billing*		-
21	Research and development		-
22	Insurance		985
23	* Direct billing expenditure by suppliers that directly bill the majority of their consumers		

SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE

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

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

sch ref

	Target (\$000) ¹	Actual (\$000)	% variance
7 (i): Revenue			
Line charge revenue	170,000	171,853	1%
7 (ii): Expenditure on Assets	Forecast (\$000) ²	Actual (\$000)	% variance
Consumer connection	6,317	7,597	20%
System growth	1,284	154	(88%)
Asset replacement and renewal	23,031	22,864	(1%)
Asset relocations	1,222	3,237	165%
Reliability, safety and environment:			
Quality of supply	1,652	1,153	(30%)
Legislative and regulatory	-	-	-
Other reliability, safety and environment	1,260	493	(61%)
Total reliability, safety and environment	2,912	1,646	(43%)
Expenditure on network assets	34,766	35,499	2%
Expenditure on non-network assets	1,533	941	(39%)
Expenditure on assets	36,299	36,440	0%
7 (iii): Operational Expenditure			
Service interruptions and emergencies	4,205	3,437	(18%)
Vegetation management	1,444	1,340	(7%)
Routine and corrective maintenance and inspection	7,561	8,708	15%
Asset replacement and renewal	1,172	906	(23%)
Network opex	14,382	14,391	0%
System operations and network support	4,407	4,185	(5%)
Business support	11,882	11,499	(3%)
Non-network opex	16,289	15,684	(4%)
Operational expenditure	30,671	30,075	(2%)
7 (iv): Subcomponents of Expenditure on Assets (where known)			
Energy efficiency and demand side management, reduction of energy losses	-	-	-
Overhead to underground conversion	-	-	-
Research and development	-	-	-
7 (v): Subcomponents of Operational Expenditure (where known)			
Energy efficiency and demand side management, reduction of energy losses	-	-	-
Direct billing	-	-	-
Research and development	-	-	-
Insurance	1,108	985	(11%)

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

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

Company Name **Wellington Electricity Lines Limited**

For Year Ended **31 March 2017**

Network / Sub-network Name

SCHEDULE 9a: ASSET REGISTER

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

8	Voltage	Asset category	Asset class	Units	Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1-4)
9	All	Overhead Line	Concrete poles / steel structure	No.	27,479	28,828	1,349	3
10	All	Overhead Line	Wood poles	No.	9,092	8,962	(130)	3
11	All	Overhead Line	Other pole types	No.	-	11	11	N/A
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	57	57	-	4
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	-	-	-	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	33	33	0	4
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	50	50	-	4
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	48	48	0	4
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	7	7	(0)	4
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	-	-	-	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	-	-	-	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	-	-	-	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	-	-	-	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	-	-	-	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	27	27	-	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	-	-	-	N/A
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	-	-	-	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	-	-	-	N/A
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	-	-	-	N/A
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	-	-	-	N/A
29	HV	Zone substation switchgear	33kV RMU	No.	-	-	-	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	-	-	-	N/A
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	2	2	-	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	356	356	-	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	-	-	-	N/A
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	53	52	(1)	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	589	590	1	4
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	2	2	(0)	4
37	HV	Distribution Line	SWER conductor	km	-	-	-	N/A
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	137	143	6	3
39	HV	Distribution Cable	Distribution UG PILC	km	1,027	1,023	(4)	3
40	HV	Distribution Cable	Distribution Submarine Cable	km	0	0	-	N/A
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	17	17	-	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	917	944	27	3
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	2,604	2,591	(13)	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	450	382	(68)	3
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	1,896	1,922	26	3
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	1,801	1,803	2	4
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	2,495	2,504	9	4
48	HV	Distribution Transformer	Voltage regulators	No.	-	-	-	N/A
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	508	507	(1)	4
50	LV	LV Line	LV OH Conductor	km	1,090	1,086	(3)	2
51	LV	LV Cable	LV UG Cable	km	1,657	1,663	6	2
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	1,895	1,935	40	2
53	LV	Connections	OH/UG consumer service connections	No.	166,895	166,663	(232)	3
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	1,439	1,407	(32)	2
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	254	264	10	4
56	All	Capacitor Banks	Capacitors including controls	No.	-	-	-	N/A
57	All	Load Control	Centralised plant	Lot	25	25	-	4
58	All	Load Control	Relays	No.	-	-	-	N/A
59	All	Civils	Cable Tunnels	km	1	1	-	4

Company Name **Wellington Electricity Lines Limited**

For Year Ended **31 March 2017**

Network / Sub-network Name

SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES

This schedule requires a summary of the key characteristics of the overhead line and underground cable network. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

9			
10	Circuit length by operating voltage (at year end)	Overhead (km)	Underground (km)
11	> 66kV	-	-
12	50kV & 66kV	-	-
13	33kV	57	138
14	SWER (all SWER voltages)	-	-
15	22kV (other than SWER)	-	-
16	6.6kV to 11kV (inclusive—other than SWER)	592	1,166
17	Low voltage (< 1kV)	1,086	1,663
18	Total circuit length (for supply)	1,735	2,966
19			Total circuit length (km)
20	Dedicated street lighting circuit length (km)	90	296
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)		-
22			
23	Overhead circuit length by terrain (at year end)	(% of total)	
24	Urban	Circuit length (km)	overhead length
25	Rural	1,344	77%
26	Remote only	-	-
27	Rugged only	-	-
28	Remote and rugged	-	-
29	Unallocated overhead lines	-	-
30	Total overhead length	1,735	100%
31			
32		(% of total circuit length)	
33	Length of circuit within 10km of coastline or geothermal areas (where known)	Circuit length (km)	length
		4,116	88%
34		(% of total overhead length)	
35	Overhead circuit requiring vegetation management	Circuit length (km)	overhead length
		1,561	90%

SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS

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

sch ref

sch ref	Location *	Number of ICPs served	Line charge revenue (\$000)
8			
9	N/A		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

* Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network

Company Name

Wellington Electricity Lines Limited

For Year Ended

31 March 2017

Network / Sub-network Name

SCHEDULE 9e: REPORT ON NETWORK DEMAND

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

sch ref

8 9e(i): Consumer Connections

9 Number of ICPs connected in year by consumer type

10 Consumer types defined by EDB*

Consumer types defined by EDB*	Number of connections (ICPs)
Domestic	602
Small Commercial	387
Medium Commercial	11
Large Commercial	17
Small Industrial	4
Large Industrial	-
Unmetered	10

18 * include additional rows if needed

19 Connections total

1,031

21 Distributed generation

22 Number of connections made in year

180

connections

23 Capacity of distributed generation installed in year

1

MVA

24 9e(ii): System Demand**27 Maximum coincident system demand**

28 GXP demand

522

29 plus Distributed generation output at HV and above

54

30 Maximum coincident system demand

576

31 less Net transfers to (from) other EDBs at HV and above

-

32 Demand on system for supply to consumers' connection points

576

33 Electricity volumes carried

34 Electricity supplied from GXPs

2,152

35 less Electricity exports to GXPs

-

36 plus Electricity supplied from distributed generation

263

37 less Net electricity supplied to (from) other EDBs

-

38 Electricity entering system for supply to consumers' connection points

2,415

39 less Total energy delivered to ICPs

2,325

40 Electricity losses (loss ratio)

90

3.7%

42 Load factor

0.48

43 9e(iii): Transformer Capacity

45 Distribution transformer capacity (EDB owned)

1,374

46 Distribution transformer capacity (Non-EDB owned, estimated)

-

47 Total distribution transformer capacity

1,374

49 Zone substation transformer capacity

1,068

Company Name **Wellington Electricity Lines Limited**

For Year Ended **31 March 2017**

Network / Sub-network Name

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

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

sch ref

8	10(i): Interruptions		
9	Interruptions by class	Number of interruptions	
10	Class A (planned interruptions by Transpower)	-	
11	Class B (planned interruptions on the network)	177	
12	Class C (unplanned interruptions on the network)	305	
13	Class D (unplanned interruptions by Transpower)	3	
14	Class E (unplanned interruptions of EDB owned generation)	-	
15	Class F (unplanned interruptions of generation owned by others)	-	
16	Class G (unplanned interruptions caused by another disclosing entity)	-	
17	Class H (planned interruptions caused by another disclosing entity)	-	
18	Class I (interruptions caused by parties not included above)	1	
19	Total	486	
20			
21	Interruption restoration	≤3Hrs	>3hrs
22	Class C interruptions restored within	121	184
23			
24	SAIFI and SAIDI by class	SAIFI	SAIDI
25	Class A (planned interruptions by Transpower)	-	-
26	Class B (planned interruptions on the network)	0.08	7.39
27	Class C (unplanned interruptions on the network)	0.84	123.16
28	Class D (unplanned interruptions by Transpower)	0.16	7.50
29	Class E (unplanned interruptions of EDB owned generation)	-	-
30	Class F (unplanned interruptions of generation owned by others)	-	-
31	Class G (unplanned interruptions caused by another disclosing entity)	-	-
32	Class H (planned interruptions caused by another disclosing entity)	-	-
33	Class I (interruptions caused by parties not included above)	0.01	1.28
34	Total	1.09	139.34
35			
36	Normalised SAIFI and SAIDI	Normalised SAIFI	Normalised SAIDI
37	Classes B & C (interruptions on the network)	0.92	63.06
38			
39	Quality path normalised reliability limit	SAIFI reliability limit	SAIDI reliability limit
40	SAIFI and SAIDI limits applicable to disclosure year*	0.63	40.63
41	* not applicable to exempt EDBs		

Company Name **Wellington Electricity Lines Limited**

For Year Ended **31 March 2017**

Network / Sub-network Name

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

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

10(ii): Class C Interruptions and Duration by Cause

Cause	SAIFI	SAIDI
Lightning	0.02	1.62
Vegetation	0.09	9.12
Adverse weather	0.15	12.36
Adverse environment	0.18	77.22
Third party interference	0.05	4.40
Wildlife	0.03	2.05
Human error	0.02	0.81
Defective equipment	0.27	13.77
Cause unknown	0.03	1.82

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

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	-	-
Subtransmission cables	-	-
Subtransmission other	-	-
Distribution lines (excluding LV)	0.06	6.01
Distribution cables (excluding LV)	0.02	1.38
Distribution other (excluding LV)	-	-

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

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	-	-
Subtransmission cables	0.02	0.14
Subtransmission other	-	-
Distribution lines (excluding LV)	0.65	113.31
Distribution cables (excluding LV)	0.17	9.72
Distribution other (excluding LV)	-	-

10(v): Fault Rate

Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
Subtransmission lines	-	57	-
Subtransmission cables	2	138	1.45
Subtransmission other	-	-	-
Distribution lines (excluding LV)	259	592	43.79
Distribution cables (excluding LV)	44	1,166	3.77
Distribution other (excluding LV)	-	-	-
Total	305		

Company Name: Wellington Electricity Lines Limited

For Year Ended: 31 March 2017

Schedule 14 Mandatory Explanatory Notes

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and subclauses 2.5.1(1)(f), and 2.5.2(1)(e).
2. This schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 12 of this schedule is part of the audited disclosure information, and so is subject to the assurance requirements specified in section 2.8.
3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for EDBs to give additional explanation of disclosed information should they elect to do so.

Return on Investment (Schedule 2)

4. In the box below, comment on return on investment as disclosed in Schedule 2. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 1: Explanatory comment on return on investment

The 2017 return on investment (ROI) of 8.03% (vanilla WACC) is above the Default Price-Quality Path (DPP) WACC rate used to set regulatory price path of 7.19% for the 5 year period 1 April 2015 to 31 March 2020.

The main reasons for the return being higher than 7.19% are:

- WELL has an over-recovery of Pass-through Costs of \$4.8m for the year ended 31 March 2017. This is primarily due to higher than expected volumes, a change in the mix of volume from controlled to uncontrolled tariffs and differences between WELL's actual and forecast Pass-through and Recoverable Costs.

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

Material items in 'Other regulatory line income' include:

- Charges for new connections, upgrades, decommissioning and temporary disconnections of \$0.4m; and
- Transpower credit of \$0.3m relating to a wash-up of connection charges for the regulatory periods prior to 1 April 2015.

There has been no information reclassified in accordance with clause 2.7.1(2)

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

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

Box 3: Explanatory comment on merger and acquisition expenditure

There have been no mergers or acquisitions in 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)

There were no reclassifications for the year ended 31 March 2017.

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

WELL has recorded expenditure before tax that is not deductible of \$94K. This includes non-deductible entertainment and legal expenses in accordance with the New Zealand Tax Legislation.

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)

Other temporary differences include doubtful debts and other accruals not deductible in the current period in accordance with the New Zealand Tax Legislation.

Related party transactions: disclosure of related party transactions (Schedule 5b)

10. In the box below, provide descriptions of related party transactions beyond those disclosed on Schedule 5b including identification and descriptions as to the nature of directly attributable costs disclosed under subclause 2.3.6(1)(b).

Box 7: Related party transactions

International Infrastructure Services Company Limited (NZ Branch) provides a range of corporate, network operation and IT support services to WELL. Corporate services include finance, regulatory, customer services, property and legal and human resources. Network operation services include asset management and design, project management, maintenance and network control.

During the disclosure year WELL paid Cheung Kong Infrastructure Holdings Limited for Director expenses and a software license.

During the disclosure year WELL paid CHED Services Pty Limited for computer software upgrades and training.

Cost allocation (Schedule 5d)

11. 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 8: Cost allocation

There is no cost allocation required. All costs are directly attributable to electricity distribution services. There are no reclassified items.

Asset allocation (Schedule 5e)

12. 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 9: Commentary on asset allocation

There is no asset allocation required. All assets are directly attributable to electricity distribution services. There are no reclassified items.

Capital Expenditure for the Disclosure Year (Schedule 6a)

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

Box 10: Explanation of capital expenditure for the disclosure year

13.1 WELL has applied professional judgement in assessing whether a project or programme is deemed material. A project or programme is considered material where the required spend was at least \$200k or more.

13.2 There are no reclassified items.

Operational Expenditure for the Disclosure Year (Schedule 6b)

14. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-
- 14.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b;
 - 14.2 Information on reclassified items in accordance with subclause 2.7.1(2);
 - 14.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 6b, a including the value of the expenditure the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.

Box 11: Explanation of operational expenditure for the disclosure year

14.1 Asset replacement and renewal includes expenditure to replace or renew assets where the expenditure is not capitalised under GAAP. This expenditure is of a maintenance nature.

14.2 There are no reclassified items.

14.3 There was no material atypical expenditure included in operational expenditure in the disclosure year

Variance between forecast and actual expenditure (Schedule 7)

15. 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 12: Explanatory comment on variance in actual to forecast expenditure

Expenditure on Assets:

Consumer connection: This category of spend is consumer driven. The variance compared to forecast is mainly due to an increase in the number of subdivision and substation installations required by consumers.

System growth: The majority of the planned expenditure on the Takapu Road communication upgrade was deferred due to the fixing of the key pilot cables.

Asset relocation: The variance on asset relocations has been due to pole replacements and the significant works that have occurred at Transmission Gully and the Haywards Interchange.

Reliability, safety and environment: The variance on this expenditure comes from the Pauatahanui-Mana Wetland Rebuild which required a much smaller amount of work than originally envisaged.

Expenditure on non-network assets: The variance on this expenditure has been due to the deferment of certain IT upgrades from 2016 to 2017.

Operational Expenditure:

Service interruptions and emergencies: The variance is due to the higher than usual amount of reactive capital expenditure work undertaken due to effect of the 14 November Kaikoura earthquake.

Routine and corrective maintenance and inspection: The number of corrective maintenance and inspection tasks was increased as a response to the 14 November Kaikoura earthquake.

Information relating to revenues and quantities for the disclosure year

16. In the box below provide-

- 16.1 a comparison of the target revenue disclosed before the start of the disclosure year, in accordance with clause 2.4.1 and subclause 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and
- 16.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

Box 13: Explanatory comment relating to revenue for the disclosure year

Actual line charge revenue of \$171.9m is slightly above the target of \$170m which is largely attributed to volume shift between controlled tariffs (AICO) onto Uncontrolled tariffs (24UC). For 2016/17 Pricing WELL simplified its residential pricing categories down to two categories, RLU and RSU from the previous 10 price categories, G100 to G109. WELL identified a number of customers that had been incorrectly classified as having controllable load and there was a significant amount of volume that had been previously billed as AICO which should have been billed as 24UC. The new pricing categories for 2016/17 allowed the volumes to be billed correctly.

Network Reliability for the Disclosure Year (Schedule 10)

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

Box 14: Commentary on network reliability for the disclosure year

WELL has taken a committed approach to monitoring its network reliability however a number of external factors have caused disruption to the network. The most significant contributions to SAIDI and SAIFI for the period have been overhead equipment failures, outages caused by vegetation and other overhead faults.

The network experienced a greater volume of high wind speed days (days with maximum gusts greater than 100 km/hr) and major event days compared to the previous year. This has led to increased vegetation-related and overhead equipment faults arising. There were three Major Event days where the boundary value was exceeded for both SAIDI and SAIFI from two major storm events and the November 2016 Kaikoura earthquake. There were two other major event days where only one measure was exceeded these related to overhead equipment faults and a storm event.

WELL has a dedicated team who continue to manage its assets in accordance with good industry practice, the network has experienced a number of extreme weather events beyond WELL's control with a greater than usual frequency.

A separate explanation paper will be provided to the Commerce Commission under separate cover and in confidence about this matter.

WELL has provided excellent customer consultation on outage events and their restoration times through its upgraded website relating to the live reporting on restoration times when power outages occur. This has been further enhanced by the release of WELL's Smart Phone outage application (OutageCheck) that can be downloaded from the App store and gives customer's up to date progress reports on restoration and return to supply.

Insurance cover

18. In the box below, provide details of any insurance cover for the assets used to provide electricity distribution services, including-

- 18.1 The EDB's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;
- 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

Due to the limited nature/cost of insurance cover available for WELL's assets, WELL has material damage (MD) and Business interruption (BI) insurance for key asset locations, including WELL's GXP assets, zone substations, some critical distribution substations and its office fit out at Petone. WELL's MD and BI insurance is currently placed through Australasian markets. The balance of WELL's assets are uninsured because insurance cover is not available and/or not economically viable. WELL does not recover funds to hold as reserve provisions (ex-ante) under the building blocks approach to determining allowable revenues under the DPP. Therefore WELL is not self-insured.

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 previous disclosure information.

Schedule 14a Mandatory Explanatory Notes on Forecast Information

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

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

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

Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts

Network and Non-network capital expenditure:

The difference represents inflation and is 2.0% per annum across the planning period.

The rate for 2018 is based on an ANZ bank forecast. The rates for the years thereafter are based on the midpoint of the RBNZ's target inflation range.

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

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

Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts

The difference represents inflation and is 2.0% per annum across the planning period.

The rate for 2018 is based on an ANZ bank forecast. The rates for the years thereafter are based on the midpoint of the RBNZ's target inflation range.

Company Name: Wellington Electricity Lines Limited

For Year Ended: 31 March 2017

Schedule 15 Voluntary Explanatory Notes

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

Box 1: Voluntary explanatory comment on disclosed information

There are no additional voluntary comments.

Schedule 18 Certification for Year-end Disclosures

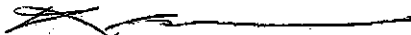
Clause 2.9.2

We, Richard Pearson and Andrew Hunter, being directors of Wellington Electricity Lines Limited certify that, having made all reasonable enquiry, to the best of our knowledge-

a) the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2, and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and

b) the historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, and 14 has been properly extracted from the Wellington Electricity Lines Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.

In respect of related party costs and revenues recorded in accordance with subclauses 2.3.6(1) (when valued in accordance with clause 2.2.11(5)(h)(ii) of the Electricity Distribution Services Input Methodologies Determination 2010), 2.3.6(1)(f) and 2.3.7(2)(b), we certify that, having made all reasonable enquiry, including enquiries of our related parties, we are satisfied that to the best of our knowledge and belief the costs and revenues recorded for related party transactions reasonably reflect the price or prices that would have been paid or received had these transactions been at arm's-length.



Richard Pearson
Chairman
30 August 2017

Andrew Hunter
Director

Schedule 18 Certification for Year-end Disclosures


Clause 2.9.2

We, Richard Pearson and Andrew Hunter, being directors of Wellington Electricity Lines Limited certify that, having made all reasonable enquiry, to the best of our knowledge-

a) the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2, and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and

b) the historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, and 14 has been properly extracted from the Wellington Electricity Lines Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.

In respect of related party costs and revenues recorded in accordance with subclauses 2.3.6(1) (when valued in accordance with clause 2.2.11(5)(h)(ii) of the Electricity Distribution Services Input Methodologies Determination 2010), 2.3.6(1)(f) and 2.3.7(2)(b), we certify that, having made all reasonable enquiry, including enquiries of our related parties, we are satisfied that to the best of our knowledge and belief the costs and revenues recorded for related party transactions reasonably reflect the price or prices that would have been paid or received had these transactions been at arm's-length.



Richard Pearson
Chairman
30 August 2017

Andrew Hunter
Director

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF WELLINGTON ELECTRICITY LINES LIMITED AND THE COMMERCE COMMISSION

Report on the Disclosure Information prepared in accordance with the Electricity Distribution Information Disclosure Determination 2012 (consolidated in 2015)

We have been engaged by the Board of Directors of Wellington Electricity Lines Limited ('the Company') to conduct a reasonable assurance engagement to provide an opinion on whether Schedules 1 to 4, 5a to 5g, 6a, 6b, 7, the system average interruption duration index ('SAIDI') and system average interruption frequency index ('SAIFI') information disclosed in Schedule 10 and the explanatory notes disclosed in boxes 1 to 12 of Schedule 14 of the Company for the disclosure year ended 31 March 2017 ('the Disclosure Information') have been prepared, in all material respects, in accordance with the Electricity Distribution Information Disclosure Determination 2012 (consolidated in 2015) ('the Determination').

Responsibilities of the Board of Directors for the Disclosure Information

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

Auditor's responsibility

Our responsibility is to express an opinion on whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination.

We conducted our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000: *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the New Zealand Auditing and Assurance Standards Board and the Standard on Assurance Engagements 3100: *Compliance Engagements* issued by the External Reporting Board, to provide reasonable assurance that the Company has complied with the Determination. Our procedures included:

- reviewing the methodologies used in preparing the Disclosure Information and confirming that they are in accordance with the requirements set out in the Determination;
- identifying key inputs to the information;
- ensuring the information used in preparing the Disclosure Information has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- ensuring the calculations are mathematically correct.

These procedures have been undertaken to form an opinion as to whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination for the period 1 April 2016 to 31 March 2017.

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

Inherent limitations

Because of the inherent limitations in internal control systems, it is possible that fraud, error or non-compliance may occur and not be detected. As the procedures performed for this engagement are not performed continuously throughout the period 1 April 2016 to 31 March 2017 and the procedures performed in respect of the Company's compliance with the Determination in preparing the Disclosure Information are undertaken on a test basis, our assurance engagement cannot be relied on to detect all instances where the Company may not have complied with the Determination.

Our opinion has been formed on the above basis.

This reasonable assurance report relates to the Disclosure Information of Wellington Electricity Lines Limited for the year ended 31 March 2017 included on Wellington Electricity Lines Limited's website. The Board of Directors are responsible for the maintenance and integrity of the Company's website. We have not been engaged to report on the integrity of the Company's website. We accept no responsibility for any changes that may have occurred to the Disclosure Information since they were initially presented on the website. The reasonable assurance report refers only to the Disclosure Information named above. It does not provide an opinion on any other information which may have been hyperlinked to/from this Disclosure Information. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the Disclosure Information and related reasonable assurance report dated 30 August 2017 to confirm the information included in the Disclosure Information presented on this website.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Professional and Ethical Standard 1 (Revised): *Code of Ethics for Assurance Practitioners* 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 and taxation services, we have no relationship with or interests in the Company or any of its subsidiaries.

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 report is provided solely for your exclusive use and solely for the purpose of providing you with independent audit assurance whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination. Our report is not to be used for any other purpose, recited or referred to in any document, copied or made available (in whole or in part) to any other person without our prior written express consent. We accept or assume no duty, responsibility or liability to any other party in connection with the report or this engagement, including without limitation, liability for negligence in relation to the opinion expressed in this report.

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:

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

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

Deloitte Limited

Chartered Accountants

30 August 2017

Wellington, New Zealand