

New Zealand Gazette

OF THURSDAY, 29 AUGUST 1996

WELLINGTON: MONDAY, 2 SEPTEMBER 1996 — ISSUE NO. 99

POWER NEW ZEALAND LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1994

POWER NEW ZEALAND LIMITED

**Information Disclosure Number 12
31 August 1996**

pursuant to

**The Electricity (Information Disclosure)
Regulations 1994**

Power New Zealand Limited

POWER NEW ZEALAND LIMITED

**Information Disclosure Number 12
31 August 1996**

CONTENTS

Statutory Declaration in Respect of Statements and Information Supplied to the Secretary of Commerce.

1. Introduction and Interpretation
2. Financial Statements for the year ending 31 March 1996
3. Performance Measures and Statistics for the year ending 31 March 1996

Power New Zealand Limited

**STATUTORY DECLARATION IN RESPECT OF STATEMENT AND
INFORMATION SUPPLIED TO SECRETARY OF COMMERCE**

I, Alasdair Thompson, of Thames being a Director of Power New Zealand Limited, solemnly and sincerely declare that having made all reasonable inquiry, to the best of my knowledge, the information attached to this declaration is a true copy of information made available to the public pursuant to the Electricity (Information Disclosure) Regulations 1994.

And I made this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.



Declared at *Takapuna* this *22nd* day of *August* 1996



A Solicitor of the High Court of New Zealand

G. W. DAVIDSON

Power New Zealand Limited

1. Introduction and Interpretation

1.1 This document contains certain material required to be disclosed by Power NZ under Regulations 6, 13, 14, 15 and 16 of the Electricity (Information Disclosure) Regulations 1994.

1.2 The information in this document was prepared by Power NZ after making all reasonable inquiry and to the best of its knowledge, the information complies with all relevant requirements of the Regulations.

1.3 The information in this document is not intended by Power NZ to constitute an offer of services to the public.

1.4 The information is available on request at the company's following principal offices:

44 Taharoto Road
Takapuna
Auckland

Rewi Street
Te Aroha

1.5 In this document, words and expressions have the meaning given to them in the Regulations or the Act, unless otherwise specified.

1.6 For the purpose of this disclosure:

"Power NZ" means Power New Zealand Limited

"Pacific Energy" means Pacific Energy Limited

"Network Business Unit" or **"NBU"** means the entity which forms part of Power NZ and which is responsible for the operation of the company's line business activities;

"Energy Business Unit" or **"EBU"** means the entity which forms part of Power NZ and which is responsible for the company's electricity retailing business;

"Disclosure Date" means 31 March 1996;

"Last financial year" means the year ending on 31 March 1995.

Power New Zealand Limited

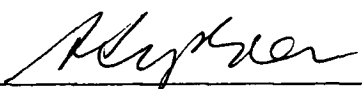
2. Financial Statements for the year ending 31 March 1996

2.1 Certification of financial statements, performance measures and statistics disclosed by line owners.

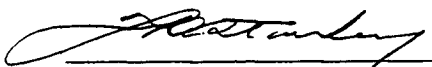
We, Alasdair Thompson and Don Stanley, Directors of Power New Zealand Limited certify that, having made all reasonable inquiry, to the best of our knowledge:

- a) The attached audited financial statements of Power New Zealand Limited prepared for the purposes of regulation 6 of the Electricity (Information Disclosure Regulations 1994, give a true and fair view of the matters to which they relate and comply with the requirements of those regulations; and
- b) The attached information, being financial performance measures, efficiency performance measures, statistics and reliability performance measures in relation to Power New Zealand Limited, and having been prepared for the purposes of regulations 13, 14, 15 and 16 of the Electricity (Information Disclosure) Regulations 1994, comply with the requirements of the Electricity (Information Disclosure) Regulations 1994.

The valuations on which those financial performance measures are based are as at 31 March 1996.



Alasdair Thompson, Director



Don Stanley, Director

Power New Zealand Limited

2.2 REPORT BY AUDITOR ON FINANCIAL STATEMENTS

We have examined the attached financial statements prepared by Power New Zealand Limited and dated 22 August 1996 for the purpose of regulation 6 of the Electricity (Information Disclosure) Regulations 1994.

We hereby report that, having made all reasonable inquiry, to the best of our knowledge, those financial statements give a true and fair view of the matters to which they related and have been prepared in accordance with the requirements of the Electricity (Information Disclosure) Regulations 1994.

Deloitte Touche Tohmatsu.

Deloitte Touche Tohmatsu
Chartered Accountants
Auckland
New Zealand

2.3 REPORT ON PERFORMANCE MEASURES BY AUDITOR

We have examined the attached information, being;

- a) Financial performance measures specified in clause 1 of Part II of the First Schedule to the Electricity (Information Disclosure) Regulations 1994; and
- b) Financial components of the efficiency performance measures specified in clause 2 of Part II of that Schedule, and having been prepared by Power New Zealand Limited and dated 22 August 1996 for the purposes of regulation 13 of those regulations.

We report that, having made all reasonable inquiry, to the best of our knowledge, that information has been prepared in accordance with the Electricity (Information Disclosure) Regulations 1994.

Deloitte Touche Tohmatsu.

Deloitte Touche Tohmatsu
Chartered Accountants
Auckland
New Zealand

Power New Zealand Limited

2.4 REPORT BY AUDITOR ON ODV VALUATION

We have examined the valuation report prepared by Coopers and Lybrand and dated 15 August 1996 which report contains valuations as at 31 March 1996.

We hereby report that, having made all reasonable inquiry, to the best of our knowledge, the ODV valuations contained in the report have been made in accordance with the ODV Handbook.

Deloitte Touche Tohmatsu.

Deloitte Touche Tohmatsu
Chartered Accountants
Auckland
New Zealand

*Power New Zealand Limited***2.5 STATEMENT OF FINANCIAL PERFORMANCE**

		1996	1995	1996	1995
		Network	Network	Energy	Energy
		(\$000)	(\$000)	(\$000)	(\$000)
For the year ended 31 March 1996					
	Notes				
Total Revenue		133,173	126,955	133,841	107,762
Less Cost of Sales		53,419	53,139	109,193	93,509
Gross Margin		79,754	73,816	24,648	14,253
Other Trading Income	2	10,010	10,532	1,654	1,110
Total Income		89,764	84,348	26,302	15,363
Non-recurring expenses	3	(106)	1,564	(54)	(1,995)
Other Expenses	3	58,973	51,049	4,568	4,703
Operating Surplus Before Taxation	3	30,897	31,735	21,788	12,655
Taxation	4	12,766	12,791	6,827	3,265
Operating Surplus after taxation		18,131	18,944	14,961	9,390
NET SURPLUS FOR YEAR		18,131	18,944	14,961	9,390

Power New Zealand Limited

2.6 STATEMENT OF FINANCIAL POSITION

	Notes	1996	1995	1996	1995
		Business Unit(s)			
		Network (\$000)	Network (\$000)	Energy (\$000)	Energy (\$000)
As at 31 March 1996					
Issued and Paid Up Capital	6	75,735	75,735	0	0
Revaluation Reserves	7	371,578	370,312	0	0
Share Premium Reserve	7	40,724	40,724	0	0
Other Reserves	7	66,678	66,678	19,891	19,891
Retained Earnings	7	16,006	24,014	45,699	38,538
Total Shareholders' Equity		570,721	577,463	65,590	58,429
Current Assets					
Inter-Business Unit Receivable		98	495	1,076	568
Cash at Bank		57,722	51,033	18,354	15,472
Accounts Receivable	8	20,240	21,491	18,300	14,199
Inventory		(2)	0	7	87
Total Current Assets		78,058	73,019	37,737	30,326
Less current liabilities					
Inter-Business Unit Payable		5,508	5,299	710	338
Accounts Payable		6,880	10,883	14,467	14,557
Bank Loan		0	7	0	0
Provision for Dividend		15,849	11,212	4,729	3,343
Provision for Taxation		(2,727)	1,307	(813)	390
Sundry Payables		1,761	2,103	560	987
Total Current Liabilities		27,271	30,811	19,653	19,615
Working Capital		50,787	42,208	18,084	10,711
Reticulation Assets	9	524,195	522,324	0	0
Non-Reticulation Assets	9	13,829	17,197	826	872
		588,811	581,729	18,910	11,583
Non-current Liabilities	10	3,427	1,622	0	0
Long Term Inter-Business Unit Funding		14,663	2,644	(46,680)	(46,846)
Net Assets		570,721	577,463	65,590	58,429

2.7 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the Year Ended 31 March 1996

1. STATEMENT OF ACCOUNTING POLICIES

Special Purpose Financial Statements

These financial statements are made pursuant to Power New Zealand Limited's obligations under the Electricity (Information Disclosure) Regulations 1994 to report separate financial results in respect of its line business activities and energy business activities. They are in addition to the company's financial statements published pursuant to the company's obligations under the Companies Act 1955.

These are the second financial statements made by Power New Zealand Limited pursuant to Regulations 13, 15 and 16.

The Network Business Unit is treated as the core business activity related to the core activity and corporate activity is accounted for through the Network Business Unit financial statements.

In these statements Power New Zealand Limited has adopted the costs and revenue allocation methodology stipulated in the Guidelines to the Regulations in most respects. All departures from the Guidelines are described in Power New Zealand Limited's Disclosure No. 11.

General Accounting Policies

The general accounting principles as recommended by the New Zealand Society of Accountants for the measurement and reporting of operating surplus on a historical cost basis have been followed by the group with the exception of Distribution Network System Assets which have been revalued to their Optimised Deprival Value (ODV) in accordance with the treatment outlined in the Electricity Disclosure Guidelines. This is more fully explained within the particular accounting policy for Fixed Assets.

Accrual accounting is used to match revenues and expenses. Reliance is placed on the fact that the company is a going concern.

Particular Accounting Policies

The following particular accounting policies which materially affect the measurement of the financial performance and position have been applied:

(a) Income Tax

The group adopts the liability method of tax-effect accounting whereby the income tax expense shown in the statement of financial performance is based on the operating surplus before tax adjusted for any permanent differences.

Power New Zealand Limited

Deferred taxation, using the liability method, is accounted for on the comprehensive basis.

Future tax benefits attributable to tax losses or timing differences are recognised only when there is virtual certainty of realisation. The major timing differences relate to depreciation.

(b) Fixed Assets***Fixed Assets Other Than Distribution Network System Assets***

All fixed assets are initially recorded at cost.

Distribution Network System Assets

The Distribution Network System Assets have been revalued to their ODV valuation as at 31 March 1996.

This valuation method allows for assets to be restated at their replacement cost less an appropriate provision for depreciation. Comparison is then made between their depreciated value and their Economic Value being the sum of future cash flows.

Should this result in a lower figure then the Economic Value is substituted.

Power New Zealand Limited engaged independent consultants, Coopers and Lybrand, to undertake the ODV valuation which appears in the Statement of Financial Position and notes thereto.

(c) Depreciation

Depreciation of fixed assets, other than freehold land, has been charged at rates calculated to allocate on a straight-line basis either the cost of the asset, or the valuation, less estimated residual value, over their estimated useful lives as follows:

(i)	Freehold Buildings	1 - 2%
(ii)	Reticulation System	1.4% - 10%
(iii)	Plant, Vehicles and Equipment	10% - 50%

(d) Accounts Receivable.

Accounts Receivable are stated at their estimated net realisable value.

Receivables include an assessment for unbilled sales of electricity at balance date.

(e) Inventory

Inventory is stated at the lower of cost and net realisable value.

In arriving at net realisable value an allowance is made for deterioration and obsolescence.

(f) Research and Development Expenditure

Research and development expenditure is charged to expense as incurred.

(g) Revenue Recognition

Income from electricity sales includes an estimated amount for accrued electricity sales from meters unread at balance date.

Changes in Application of Accounting Policies

The comparative information has been restated to reflect changes in application of accounting policies arising from changes in the calculations required by the lighthanded regulations and changes in engineering estimates which form the basis of the ODV valuation. The current years results have been prepared on the basis that the changed application of accounting policies had applied consistently throughout the 1996 and 1995 reporting periods.

In the prior year, items such as merger and acquisition expenses, takeover response expenses and investing activities were included within the Network Business Unit. The Ministry of Commerce has revised its guidelines, which now require that such items not be included within a line business activity. The Network Business Unit has excluded these items and has restated the 1995 position to reflect the current requirements of the guidelines, increasing the net surplus for that year from \$15,985,000 to \$18,944,000.

Following advice of the company's independent engineers the economic lives of certain assets within the reticulation system have been increased. This together with other changes to the previous ODV valuation basis had the effect of increasing the ODV valuation of the reticulation assets. For reliability and comparative purposes the 1995 valuation has been restated to reflect this increase. The impact on the 1995 financial statements is that the reticulation assets and revaluation reserve have increased by \$35,855,000 respectively.

The impact of the above changes have been reflected in the restated 1995 performance measures and statistics.

Changes in Accounting Policies

There have been no changes in accounting policies.

Power New Zealand Limited

	1996	1995	1996	1995
	Business Unit(s)			
2 OTHER TRADING INCOME INCLUDES	Network	Network	Energy	Energy
	(\$000)	(\$000)	(\$000)	(\$000)
Interest Received	3,990	3,869	1,190	1,151
3 OPERATING SURPLUS BEFORE TAXATION AFTER CHARGING (CREDITING): NON-RECURRING ITEMS				
Energy Sector Reform Expenses	(106)	-	-	-
Share Issue Expenses	-	469	(54)	-
Prior period sales adjustment	-	1,095	-	(1995)
	<u>(106)</u>	<u>1,564</u>	<u>(54)</u>	<u>(1995)</u>
OTHER EXPENSES INCLUDE				
Audit fees	71	164	-	-
Depreciation	21,491	13,891	412	86
Other fees paid to Auditors	178	512	-	-
Other payments to Directors	102	299	-	-
Directors fees	319	157	-	-
Interest on loans	129	909	39	285
Research and Development	96	1,728	(1)	-
Lease and Rental	3	11	62	-
	<u>22,389</u>	<u>17,671</u>	<u>512</u>	<u>371</u>
4 TAXATION CURRENT YEAR TAXATION CHARGE				
Operating Surplus Before Taxation	30,897	31,735	21,788	12,655
Taxation at 33%	10,196	10,472	7,190	4,176
Permanent Differences	2,570	2,319	(363)	(736)
Adjustment Relating to Prior Years	-	-	-	(175)
	<u>12,766</u>	<u>12,791</u>	<u>6,827</u>	<u>3,265</u>
THE TAXATION CHARGE IS REPRESENTED BY:				
Current Taxation	14,592	11,646	6,827	3,265
Deferred Taxation	(1,826)	1,145	-	-
	<u>12,766</u>	<u>12,791</u>	<u>6,827</u>	<u>3,265</u>

Power New Zealand Limited

DEFERRED TAXATION RECONCILIATION	1996	1995	1996	1995
	Network (\$000)	Network (\$000)	Energy (\$000)	Energy (\$000)
Opening Balance 1 April 1995	441	-	-	-
Transferred in upon Vesting	-	1,586	-	-
Current Year Tax Charge Movement	1,826	(1,145)	-	-
Closing Balance	2,267	441	-	-

**IMPUTATION
CREDIT ACCOUNT**

Opening Balance 1 April	4,902	-	1,730	-
Taxation Paid	21,617	7,935	6,447	2,800
Imputation Credits Attached to Dividends	(11,033)	(3,033)	(3,291)	(1,070)
Imputation Credits available to shareholders	15,486	4,902	4,886	1,730

5 DIVIDEND

Dividend Paid	10,290	6,143	3,071	2,780
Dividend Proposed	15,849	11,212	4,729	3,343
	26,139	17,355	7,800	6,123

6 ISSUED AND PAID UP CAPITAL

Authorised Capital: 1 Redeemable				
Preference share of \$1.00 plus 399,999,998 Ordinary Shares of \$0.50 each	200,000	200,000	-	-
Issued and paid Up Capital 151,470,220 Issued Shares Fully Paid	75,735	75,735	-	-
Movement in Share Capital 1 Redeemable Preference Share issued @ \$1.00	-	-	-	-
135,000,000 50c Par Issued @ \$0.50	67,500	67,500	-	-
13,500,000 50c Par Issued @ \$3.03	6,750	6,750	-	-
2,160,300 50c Par Issued @ 2.73	1,305	1,305	-	-
359,700 50c Par Issued @ \$2.58	180	180	-	-
	75,735	75,735	-	-

Power New Zealand Limited

	1996 Network (\$000)	1995 Network (\$000)	1996 Energy (\$000)	1995 Energy (\$000)
7 RESERVES REVALUATION				
RESERVE				
Opening Balance 1 April	370,312	-	-	-
Transfer upon Vesting	-	135,718	-	-
Surplus on ODV Valuation	1,266	234,594	-	-
Closing Balance 31 March	<u>371,578</u>	<u>370,312</u>	-	-
SHARE PREMIUM RESERVE				
Opening Balance 1 April	40,724	-	-	-
Premium on Issue of Shares	-	40,724	-	-
Closing Balance 31 March	<u>40,724</u>	<u>40,724</u>	-	-
OTHER RESERVES				
Opening Balance 1 April	66,678	-	19,891	-
Transfer upon Vesting	-	116,567	-	35,401
Issue of 135,000,000 Shares at \$0.50	-	(49,889)	-	(15,510)
Closing Balance 31 March	<u>66,678</u>	<u>66,678</u>	<u>19,891</u>	<u>19,891</u>
RETAINED EARNINGS				
Opening Balance 1 April	24,014	(18)	38,538	-
Transfer upon Vesting	-	22,443	-	35,271
Dividends	(26,139)	(17,355)	(7,800)	(6,123)
Transferred from Statement of Financial Performance	18,131	18,944	14,961	9,390
	<u>16,006</u>	<u>24,014</u>	<u>45,699</u>	<u>38,538</u>
8 ACCOUNTS				
RECEIVABLE				
Accounts Receivable - Trade	13,584	14,195	16,651	9,856
Other Receivables	6,656	7,296	1,649	4,343
	<u>20,240</u>	<u>21,491</u>	<u>18,300</u>	<u>14,199</u>

Power New Zealand Limited

	1996 Network (\$000)	1995 Network (\$000)	1996 Energy (\$000)	1995 Energy (\$000)
7 RESERVES REVALUATION				
RESERVE				
Opening Balance 1 April	370,312	-	-	-
Transfer upon Vesting	-	135,718	-	-
Surplus on ODV Valuation	1,266	234,594	-	-
Closing Balance 31 March	<u>371,578</u>	<u>370,312</u>	-	-
SHARE PREMIUM RESERVE				
Opening Balance 1 April	40,724	-	-	-
Premium on Issue of Shares	-	40,724	-	-
Closing Balance 31 March	<u>40,724</u>	<u>40,724</u>	-	-
OTHER RESERVES				
Opening Balance 1 April	66,678	-	19,891	-
Transfer upon Vesting	-	116,567	-	35,401
Issue of 135,000,000 Shares at \$0.50	-	(49,889)	-	(15,510)
Closing Balance 31 March	<u>66,678</u>	<u>66,678</u>	<u>19,891</u>	<u>19,891</u>
RETAINED EARNINGS				
Opening Balance 1 April	24,014	(18)	38,538	-
Transfer upon Vesting	(26,139)	22,443	-	35,271
Dividends	18,131	(17,355)	(7,800)	(6,123)
Transferred from Statement of Financial Performance	-	18,944	14,961	9,390
	<u>16,006</u>	<u>24,014</u>	<u>45,699</u>	<u>38,538</u>
8 ACCOUNTS RECEIVABLE				
Accounts Receivable - Trade	13,584	14,195	16,651	9,856
Other Receivables	6,656	7,296	1,649	4,343
	<u>20,240</u>	<u>21,491</u>	<u>18,300</u>	<u>14,199</u>

Power New Zealand Limited

9 FIXED ASSETS

Network Business Unit	1996			
	At cost (\$000)	At Valuation (\$000)	Accum. Dep'n (\$000)	Net Carrying Value (\$000)
Freehold Land	160	-	-	160
Freehold Buildings	4,578	-	652	3,926
Distribution System	-	524,195	-	524,195
Plant, Vehicles and Equipment	10,700	-	5,971	4,729
Capital Work in Progress	5,014	-	-	5,014
FIXED ASSETS	20,452	524,195	6,623	538,024

Network Business Unit	1995			
	At cost (\$000)	At Valuation (\$000)	Accum. Dep'n (\$000)	Net Carrying Value (\$000)
Freehold Land	1,829	-	-	1,829
Freehold Buildings	4,972	-	618	4,354
Distribution System	-	522,324	-	522,324
Plant, Vehicles and Equipment	11,459	-	4,012	7,447
Capital Work in Progress	3,567	-	-	3,567
FIXED ASSETS	21,827	522,324	4,630	539,521

Energy Business Unit	1996			
	At cost (\$000)	At Valuation (\$000)	Accum. Dep'n (\$000)	Net Carrying Value (\$000)
Freehold Land	47	-	-	47
Freehold Buildings	313	-	64	249
Plant, Vehicles and Equipment	910	-	489	421
Capital Work in Progress	109	-	-	109
FIXED ASSETS	1,379	-	553	826

Energy Business Unit	1995			
	At cost (\$000)	At Valuation (\$000)	Accum. Dep'n (\$000)	Net Carrying Value (\$000)
Freehold Land	67	-	-	67
Freehold Buildings	348	-	75	273
Plant, Vehicles and Equipment	829	-	296	533
Capital Work in Progress	(1)	-	-	(1)
FIXED ASSETS	1,243	-	371	872

In respect of the valuation, there is a deferred tax liability for tax depreciation recovered, amounting to

Power New Zealand Limited

approximately \$26 million, which would crystallise if all the revalued assets were disposed of for their carrying value.

Power New Zealand Limited

10 <i>NON CURRENT LIABILITIES</i>	1996	1995	1996	1995
	Network (\$000)	Network (\$000)	Energy (\$000)	Energy (\$000)
Loans Long Term	1,160	1,181	0	0
Deferred Taxation	2,267	441	-	-
	<u>3,427</u>	<u>1,622</u>	<u>0</u>	<u>0</u>

11 *FINANCIAL INSTRUMENTS*

The estimated fair value of Financial instruments at
31 March 1996

	1996 Business Unit(s)			
	Network		Energy	
	Carrying Amount (\$000)	Fair Value (\$000)	Carrying Amount (\$000)	Fair Value (\$000)
<i>ASSETS</i>				
Cash and Liquid Deposits	57,722	57,722	18,354	18,354
<i>LIABILITIES</i>				
Non-current Liabilities	1,160	1,160	-	-

11 *FINANCIAL INSTRUMENTS*

The estimated fair value of Financial instruments at 31
March 1995

	1995 Business Unit(s)			
	Network		Energy	
	Carrying Amount (\$000)	Fair Value (\$000)	Carrying Amount (\$000)	Fair Value (\$000)
<i>ASSETS</i>				
Cash and Liquid Deposits	51,033	51,033	15,472	15,472
<i>LIABILITIES</i>				
Non-current liabilities	1,181	1,181	-	-

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practical to estimate that value:

Cash and Short Term Deposits, Short Term Loans

The carrying amount of these items is equivalent to the fair value.

Term Liabilities

The fair value of the long term debt is estimated based on current market interest rates (including margin) available to the company for debt of similar maturities.

Power New Zealand Limited

12 CREDIT RISK

Cash and short term deposits are placed with high credit quality financial institutions (A1/A1+) limiting the amount of credit exposure to any one institution, as set forth by the board of directors. While the company may be subject to credit losses up to the contract amounts in the event of non-performance by its counterparties, it does not expect such losses to occur.

13 CAPITAL COMMITMENTS

At balance date, estimated capital expenditure contracted for but not provided was \$36,586,000 (1995:\$188,000)

14 CONTINGENT LIABILITIES

Guarantees totalling \$487,500 have been given to facilitate operations.

Performance Bonds totalling \$210,000 (1995:\$151,174) have been issued on behalf of Power New Zealand to:

- i) Ensure completion of contract works, and
- ii) To meet board obligations under the Stock Exchange Listing requirements.

Contingent liabilities exist in relation to on-going disputes which are being defended.

The company has provided a guarantee to Pacific Energy's liabilities to ECNZ in respect of purchases made by Power New Zealand Limited.

15 EVENTS OCCURRING AFTER BALANCE DATE

The Directors are not aware of any significant event occurring subsequent to balance date which, if known at balance date, would have resulted in a different assessment of the amount attributable to an item in the financial statements.

Power New Zealand Limited

Performance Measures and statistics for the year ending 31 March 1996

Part II Financial Performance Measures and Efficiency Performance Issues

1. Financial Performance Measures

(a)	Accounting Return on Total Assets	=	4.62%
(b)	Accounting Return on Equity	=	3.16%
(c)	Accounting Rate of Profit	=	2.19%

2. Efficiency Performance Measures

(a)	Direct Line Costs per kilometre	=	\$1,142.28
(b)	Indirect Line Costs per Electricity Customer	=	\$91.57

Part 111

Energy Delivery Efficiency Performance Measures and Statistics

1. Energy Delivery Efficiency Performance Measures

a)	Load Factor	58.9%
b)	Loss Ratio	6.12%
c)	Capacity Utilisation	42.3%

2. Statistics

- System length (kms) and breakdown by nominal line voltage
- Underground circuit length (kms) and breakdown by nominal line voltage
- Overhead circuit length (kms) and breakdown by nominal line voltage

	Line Length in Kilometres		
	Overhead Cct	Underground Cct	Total System
110kV	18	0	18
66kV	137	0	137
33kV	591	71	662
11kV	5,395	978	6,373
400V	3,773	1,861	5,634
TOTAL	9,914	2,910	12,824

- Transformer Capacity (kVA) 1,601,483
- Maximum Demand, (kW) 622,530
- Total electricity supplied by system (kWh) 3,223,058,394
- Total electricity conveyed by system for other parties (kWh) 920,545,000
- Total customers (average for year) 213,215

Power New Zealand Limited

Part IV
Reliability Performance Measures

	Faults per 100km		
	<i>Overhead</i>	<i>Underground</i>	<i>Total System</i>
110kV	0	0	0
66kV	3.64	0	3.11
33kV	5.58	4.18	5.38
11kV	25.10	5.29	22.20
TOTAL	22.70	5.21	20.14

Reliability Performance Measures 1995/96

Total number of interruptions and breakdowns by interruption class

Class	Type of Interruption	No
A	Planned - Transpower	9
B	Planned - Line Owners	789
C	Unplanned - Line Owner	1394
D	Unplanned - Transpower	65
E	Unplanned - ECNZ	0
F	Unplanned - other	0
G	Any other interruption	0
TOTAL	All interruptions	<u>2,257</u>

Breakdown of Statistics by Interruption Class 1995/1996

Reliability Performance Measures	Classes of Interruptions (noted in the Electricity (Information Disclosure) Regulations)							TOTAL
	Class A	Class B	Class C	Class D	Class E	Class F	Class F	
SAIDI (minutes)	63.4	28.5	129.1	12	-	-	-	233
SAIFI (minutes)	0.18	1.7	2.58	0.4	-	-	-	3.358
CAIDI (minutes)	300.2	146.1	52.7	40.9	-	-	-	66.888

Definitions of Classes of Interruptions as noted in the Electricity (Information Disclosure) Regulations 11 July 1994

Class A	Planned interruptions caused by Trans Power
Class B	Planned interruptions caused by line owners other than Trans Power
Class C	Unplanned interruptions caused by line owners other than Trans Power
Class D	Unplanned interruptions caused by Trans Power
Class E	Unplanned interruptions caused by generation by ECNZ
Class F	Unplanned interruptions caused by generation by persons other than ECNZ
Class G	Any losses of supply of electricity not included in A to F above

Power New Zealand Limited

Performance Measures and statistics for the year ending 31 March 1995
Part II Financial Performance Measures and Efficiency Performance Issues

1. Financial Performance Measures

(a)	Accounting Return on Total Assets	=	3.74%
(b)	Accounting Return on Equity	=	2.49%
(c)	Accounting Rate of Profit	=	1.75%

2. Efficiency Performance Measures

(a)	Direct Line Costs per kilometre	=	\$1,266.57
(b)	Indirect Line Costs per Electricity Customer	=	\$110.08

Part 111**Energy Delivery Efficiency Performance Measures and Statistics**

1. Energy Delivery Efficiency Performance Measures

a)	Load Factor	45.10%
b)	Loss Ratio	6.00%
c)	Capacity Utilisation	41.40%

2. Statistics

- System length (kms) and breakdown by nominal line voltage
- Underground circuit length (kms) and breakdown by nominal line voltage
- Overhead circuit length (kms) and breakdown by nominal line voltage

	Line Length in Kilometres		
	Overhead Cct	Underground Cct	Total System
110kV	18	0	18
66kV	137	0	137
33kV	586	68	654
11kV	5,372	942	6,314
400V	3,765	1,804	5,569
TOTAL	9,878	2,814	12,692

d)	Transformer Capacity (kVA)	1,492,920
e)	Maximum Demand, (kW)	650,477
f)	Total electricity supplied by system (kWh)	2,569,370,797
g)	Total electricity conveyed by system for other parties (kWh)	936,449,427
h)	Total customers (average for year)	212,772

Power New Zealand Limited

Part IV
Reliability Performance Measures

	Faults per 100km		
	<i>Overhead</i>	<i>Underground</i>	<i>Total System</i>
110kV	0.00	0.00	0.00
66kV	4.40	0.00	4.40
33kV	9.70	2.90	9.00
11kV	27.30	8.40	24.40
TOTAL	25.00	8.00	22.60

Reliability Performance Measures 1995/96

Total number of interruptions and breakdowns by interruption class

Class	Type of Interruption	No
A	Planned - Transpower	7
B	Planned - Line Owners	802
C	Unplanned - Line Owner	1,608
D	Unplanned - Transpower	8
E	Unplanned - ECNZ	0
F	Unplanned - other	0
G	Any other interruption	0
TOTAL	All interruptions	2,425

Breakdown of Statistics by Interruption Class 1994/1995

Reliability Performance Measures	Classes of Interruptions (noted in the Electricity (Information Disclosure) Regulations)							TOTAL
	Class A	Class B	Class C	Class D	Class E	Class F	Class F	
SAIDI (minutes)	62	44	154	49	-	-	-	309
SAIFI (minutes)	0.17	0.30	4.25	0.34	-	-	-	5.06
CAIDI (minutes)	354	150	36	143	-	-	-	60

Definitions of Classes of Interruptions as noted in the Electricity (Information Disclosure) Regulations 11 July 1994

- Class A Planned interruptions caused by Trans Power
Class B Planned interruptions caused by line owners other than Trans Power
Class C Unplanned interruptions caused by line owners other than Trans Power
Class D Unplanned interruptions caused by Trans Power
Class E Unplanned interruptions caused by generation by ECNZ
Class F Unplanned interruptions caused by generation by persons other than ECNZ
Class G Any losses of supply of electricity not included in A to F above



