



New Zealand Gazette

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TAURANGA ELECTRICITY LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1994

TAURANGA ELECTRICITY LIMITED

ELECTRICITY [INFORMATION DISCLOSURE] REGULATIONS 1994

AUGUST 1997

TAURANGA ELECTRICITY LIMITED

1997 INFORMATION DISCLOSURE

**Including Financial Statements, Performance Measures and Statistics for the Year Ended
31 March 1997**

Line Charges, Contracts and Methodologies Disclosure Current as at 31 March 1997

As Required by the Electricity [Information Disclosure] Regulations 1994

IMPORTANT NOTE

The information disclosed in this 1997 Information Disclosure package issued by Tauranga Electricity Limited has been prepared solely for the purposes of the Electricity [Information Disclosure] Regulations 1994.

The Regulations require the information to be disclosed in the manner it is presented.

The information should not be used for any other purpose than that intended under the Regulations.

The information contained in this package may change at any time. Pricing and terms are as at the date of disclosure indicated and are not a quote or estimate of rates or terms that will apply in the future.

Please contact Tauranga Electricity Limited by writing to PO Box 13305 or phoning 07 577 0720 if you have any questions or would like further information on the services available.

**TAURANGA ELECTRICITY LIMITED
1997 INFORMATION DISCLOSURE**

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TAURANGA ELECTRICITY LIMITED

PART A

**CERTIFICATION
FOR THE YEAR ENDED 31 MARCH 1997**

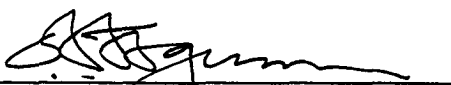
**Required by Regulations 25 and 26
Electricity [Information Disclosure] Regulations 1994**

TAURANGA ELECTRICITY LIMITED**CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES AND STATISTICS**

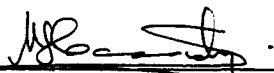
WE, **ANGUS LINDSAY FERGUSSON**, Director, and **WILLIAM GEORGE CASSIDY**, Managing Director, of Tauranga Electricity Limited, certify that having made all reasonable enquiry, to the best of my knowledge:

- a] The attached audited financial statements of Tauranga Electricity 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, energy delivery efficiency performance measures, statistics and reliability performance measures in relation to Tauranga Electricity 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.

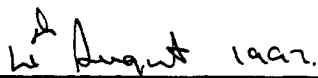
The valuations on which those financial performance measures are based are as at 31 March 1997.



[ANGUS LINDSAY FERGUSSON]



[WILLIAM GEORGE CASSIDY]



[Date]



Audit New Zealand

Audit New Zealand
Te Tari Arotake o te Motu

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34 Chapel Street
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**CERTIFICATION BY AUDITOR IN RELATION TO
FINANCIAL STATEMENTS**

TAURANGA ELECTRICITY LTD

I have examined the attached financial statements prepared by Tauranga Electricity Ltd and dated 4 August 1997 for the purposes of regulation 6 of the Electricity (Information Disclosure) Regulations 1994.

Disclosure) Regulations 1994.

I hereby certify that, having made all reasonable enquiry, to the best of my knowledge, those financial statements give a true and fair view of the matters to which they relate and have been prepared in accordance with the requirements of the Electricity (Information Disclosure) Regulations 1994.



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CERTIFICATION OF PERFORMANCE MEASURES BY AUDITORS

TAURANGA ELECTRICITY LTD

I 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 Tauranga Electricity Ltd and dated 4 August 1997 for the purposes of regulation 13 of those regulations.

I certify that, having made all reasonable enquiry, to the best of my knowledge, that information has been prepared in accordance with the Electricity (Information Disclosure) Regulations 1994.

C J Paine
Audit New Zealand
On behalf of the Controller and Auditor-General

4 August 1997

Tauranga, New Zealand



Audit New Zealand

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Tauranga
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CERTIFICATION BY AUDITOR IN RELATION TO ODV VALUATION

TAURANGA ELECTRICITY LTD

I have examined the valuation report prepared by Eddie W. Graham and dated 28 April 1997, which report contains valuations as at 31 March 1997.

I hereby certify that, having made all reasonable enquiry, to the best of my knowledge, the ODV valuations contained in the report have been made in accordance with the ODV Handbook.

C J Paine
Audit New Zealand
On behalf of the Controller and Auditor-General
TAURANGA

TAURANGA ELECTRICITY LIMITED

PART B

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997**

**Pursuant to Regulation 6 of the
Electricity [Information Disclosure] Regulations 1994**

TAURANGA ELECTRICITY LIMITED

**Profit and Loss and Retained Earnings Account
For the Year Ended 31 March 1997**

	Notes	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
SALES		4,553,696	4,137,399	3,613,972	6,909,400	5,955,072	5,262,602
NET PROFIT BEFORE TAXATION	2	772,514	562,812	523,969	1,191,447	1,106,040	1,371,708
Taxation Expense	3	(254,930)	(178,824)	(172,910)	(428,889)	(121,439)	(313,440)
NET PROFIT AFTER TAXATION		517,584	383,988	351,059	762,558	984,601	1,058,268
Retained earnings at beginning of year		518,614	275,690	65,055	224,260	365,595	265,903
Dividends	4	(43,643)	(141,064)	(140,424)	(371,357)	(1,125,936)	(958,576)
RETAINED EARNINGS AT END OF YEAR		\$992,555	\$518,614	\$275,690	\$615,461	\$224,260	\$365,595

The accompanying Statement of Accounting Policies and Notes form part of and are to be read in conjunction with these Financial Statements. The Financial Statements have been prepared solely for the purpose of complying with Regulations 6[2] and 6[3] of the Electricity [Information Disclosure] Regulations 1994 and are not intended for any other purpose.

[A:DR97]

TAURANGA ELECTRICITY LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 1997

	Notes	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
SHAREHOLDERS' FUNDS							
Share capital	5	4,803,180	4,796,170	4,757,666	12,296,820	12,303,830	12,342,334
Retained earnings		992,555	518,614	275,690	615,461	224,260	365,595
		5,795,735	5,314,784	5,033,356	12,912,281	12,528,090	12,707,929
TERM LIABILITY	6	3,200,000	2,700,000	2,612,052	-	-	187,948
CURRENT LIABILITIES							
Cash and Bank		-	318,980		-	19,795	
Accounts payable and accruals		700,302	490,995	1,392,055	285,170	588,649	120,650
Provision for tax		113,683	-	-	166,233	-	
Provision for dividend		-	14,324	30,196	-	147,907	202,173
Current portion of term liability		200,000	300,000	373,150	-	-	26,850
		1,013,985	1,124,299	1,795,401	451,403	756,351	349,673
TOTAL CORPORATE OWNERSHIP AND LIABILITIES		\$10,009,720	\$9,139,083	\$9,440,809	\$13,363,684	\$13,284,441	\$13,245,550
FIXED ASSETS							
	7	8,122,763	7,970,123	7,572,505	501,967	504,894	544,874
INVESTMENT	8	28,254	28,247	-	11,825,568	11,734,917	11,636,114
FUTURE TAXATION BENEFIT		9,390	7,201	54,202	580	456	3,900
CURRENT ASSETS							
Cash and Bank		343,732	-	194,735	296,500	15,188	30,269
Accounts receivable & prepayments		1,384,565	880,870	1,280,043	465,847	501,249	451,463
Taxation refund		-	97,347	8,770	-	25,155	1,796
Inventories		121,016	155,295	330,554	273,222	372,582	267,134
Short term deposits		-	-	-	-	130,000	310,000
		1,849,313	1,133,512	1,814,102	1,035,569	1,044,174	1,060,662
TOTAL ASSETS		\$10,009,720	\$9,139,083	\$9,440,809	\$13,363,684	\$13,284,441	\$13,245,550

The accompanying Statement of Accounting Policies and Notes form part of and are to be read in conjunction with these Financial Statements. The Financial Statements have been prepared solely for the purpose of complying with Regulations 6[2] and 6[3] of the Electricity [Information Disclosure] Regulations 1994 and are not intended for any other purpose.

[A:DR97]

TAURANGA ELECTRICITY LIMITED

1. STATEMENT OF ACCOUNTING POLICIES

Accounting Entity

The Financial Statements are those of the line business and other business of Tauranga Electricity Limited.

Tauranga Electricity Limited is 100% owned by Tauranga Civic Holdings which, in turn, is 100% owned by the Tauranga District Council. There are four subsidiary companies of Tauranga Civic Holdings Limited - Aspen Contractors Ltd, Kaimai Hydropower Ltd, Tauranga Electricity Ltd and Testing Station Services Ltd. All are in a "prescribed" business relationship as defined by Regulation 3[i][a][iii] of the Electricity [Information Disclosure] Regulations 1994. However, Kaimai Hydropower Limited is the only entity carrying out activities in terms of Regulation 6 and is therefore the only entity which has been consolidated.

The period reported on is 1 April 1996 to 31 March 1997.

These Financial Statements are prepared in accordance with Regulations 6[2] and 6[3] of the Electricity [Information Disclosure] Regulations 1994 and have not been prepared for the purposes of the Financial Reporting Act 1993 or the Energy Companies Act 1992.

Principal Activities

The line business operates a line business activity as defined by Regulation 2 of the Electricity [Information Disclosure] Regulations 1994 in and around Tauranga.

Included in Other Businesses are all the other electricity activities [including the electricity trading and contracting activities] of Tauranga Electricity Limited which includes the operation of the Omanawa Power Station at 150kW output.

Accounting Convention

The Financial Statements are based on the general principles of historical cost accounting, including the going concern concept and the accrual basis of operating. These policies have been followed on a consistent basis.

Methodology of Separation of Businesses

Tauranga Electricity Limited has generally followed the Electricity Disclosure Guidelines issued by the Ministry of Commerce dated 23 June 1994, with the exceptions in the Allocation Methodologies Disclosure which are available on request in accordance with Regulation 19.

The Guidelines were issued by the Energy Policy Group of the Ministry of Commerce as guidance to assist electricity companies to comply with the Electricity [Information Disclosure] Regulations 1994.

Specific Accounting Policies

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

- a] **Revenue Recognition**
Sales of electricity are determined on the basis of actual amounts billed to the customer during the year as determined by meter readings with an accrual for unbilled sales at year end.
- b] **Operating Lease Income**
Income from an operating lease is recognised on a straight line basis over the term of the lease.
- c] **Depreciation**
Depreciation is provided on a straight line or diminishing value basis on all tangible fixed assets other than freehold land, at rates calculated to allocate the assets' cost or valuation less estimated residual value, over their estimated useful lives.

TAURANGA ELECTRICITY LIMITED

Major depreciation periods are:

Freehold buildings	40 years
Plant and equipment	5 to 15 years
Office furniture and equipment	5 to 10 years
Motor vehicles	4 to 5 years
Network assets	5 to 25 years
Under construction [Network]	Nil

d] **Leases**

The company leases certain office furniture and equipment.

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating profit in equal instalments over the lease term.

e] **Income Tax**

The income tax expense charged to the statement of financial performance includes both the current year's provision and the income tax effects of timing differences calculated using the liability method.

f] **Fixed Assets**

All fixed assets are recorded at cost.

g] **Receivables**

Receivables are stated at their estimated realisable value.

h] **Inventories**

Inventories are stated at the lower of weighted average cost, determined on a first-in first-out basis and net realisable value.

Cost of work in progress and finished goods includes the cost of direct material, direct labour and a proportion of the manufacturing overhead based on the normal capacity of the facilities, expended in putting the inventories in their present location and condition.

i] **Electricity Price Hedging Contracts**

The value of transactions in terms of price hedging contracts is recognised as and when they occur.

j] **Changes in Accounting Policies**

There have been no changes in accounting policies. All policies have been applied on bases consistent with those used in the previous year.

TAURANGA ELECTRICITY LIMITED

	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
2. NET PROFIT BEFORE TAXATION	772,514	562,812	523,969	1,191,447	1,106,040	1,371,708
After charging:						
• Audit Fees	24,675	37,612	18,886	3,325	7,383	21,511
• Depreciation	525,784	549,854	406,990	88,857	34,832	166,163
• Directors' Income	147,549	134,092	23,371	27,535	44,638	45,746
• Interest - term loan	249,627	243,084	263,512	61,957	85,420	-
• Lease payments [operating]	-	16,103	-	7,434	1,020	14,089
• Loss on sale of assets	44,395	-	5,359	368	-	2,119
• Change in provision for doubtful debts	-	(16,599)	-	-	(1,051)	-
• Doubtful debts written off	14,594	18,372	-	27,003	22,453	-
• Interest bank overdraft	12,707	21,693	-	7,563	1,374	-
After crediting:						
• Gain on sale of assets	-	-	-	1,965	-	-
• Interest received	25,872	3,998	34,626	55,627	32,964	75,576
• Lease income	65,937	99,585	70,000	-	5,850	-
• Purchase rebates PowerBuy	-	-	-	-	60,057	-
• Dividend income	Nil	-	-	57,655	286	-

3. TAXATION

Profit before taxation	\$772,514	\$562,812	\$523,969	\$1,191,447	\$1,106,040	\$1,371,708
Prima facie taxation at 33%	254,930	185,728	172,910	393,177	364,993	452,663
Effect of Permanent Differences						
Non deductible expenses	-	2,259	-	(29,395)	(152)	-
Prior year adjustments						
Current taxation	-	(8,562)	-	65,107	(531)	2,602
Deferred taxation	-	(601)	-	-	(37)	-
Group loss off-set	-	-	-	-	(242,834)	(141,000)
TAXATION EXPENSE	\$254,930	\$178,824	\$172,910	\$428,889	\$121,439	\$313,440
The taxation charge is represented by:						
Current taxation	257,159	148,782	202,514	428,973	101,036	315,570
Deferred taxation	(2,229)	30,042	(29,604)	(84)	20,403	(2,130)
	\$254,930	\$178,824	\$172,910	\$428,889	\$121,439	\$313,440

There are no income tax losses or recognised timing differences carried forward.

TAURANGA ELECTRICITY LIMITED

4. DIVIDENDS

	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
Interim distributions						
• Dividends paid	43,643	126,740	110,228	371,357	978,029	756,403
Proposed distribution						
• Proposed dividend	-	14,324	30,196	-	147,907	202,173
	<u>\$43,643</u>	<u>\$141,064</u>	<u>\$140,424</u>	<u>\$371,357</u>	<u>\$1,125,936</u>	<u>\$958,576</u>

5. SHARE CAPITAL

Authorised capital						
17,100,000 ordinary \$1 shares	\$4,803,180	\$4,796,170	\$4,757,666	\$12,296,820	\$12,303,830	\$12,342,334
Issued and paid up capital						
17,100,000 ordinary fully paid shares	\$4,803,180	\$4,796,170	\$4,757,666	\$12,296,820	\$12,303,830	\$12,342,334

6. TERM LIABILITIES

Term liabilities consist of:

• Debt security Tauranga Civic Holdings Ltd	-	-	2,612,052	-	187,948	-
• Debt security Bank of New Zealand	3,200,000	2,700,000	-	-	-	-
Due for repayment:						
1-2 years	450,000	300,000	373,150	-	-	26,850
2-3 years	450,000	300,000	373,150	-	-	26,850
3-5 years	900,000	600,000	746,300	-	-	53,700
5+ years	1,400,000	1,500,000	1,119,452	-	-	80,548
	<u>\$3,200,000</u>	<u>\$2,700,000</u>	<u>\$2,612,052</u>	<u>-</u>	<u>-</u>	<u>\$187,948</u>

7. FIXED ASSETS

• Freehold land [at cost]	-	-	-	52,937	52,937	52,937
• Freehold buildings [at cost]	212,351	212,351	212,351	117,353	117,353	117,353
Accumulated depreciation	(9,259)	(7,208)	(4,587)	(6,361)	(4,782)	(2,834)
• Plant & equipment	-	-	-	175,025	158,461	150,687
Accumulated depreciation	-	-	-	(67,621)	(49,691)	(30,308)
• Office furniture & equipment [at cost]	-	-	-	220,932	203,096	190,425
Accumulated depreciation	-	-	-	(163,252)	(134,261)	(94,943)
• Motor vehicles [at cost]	7,952	7,952	18,775	312,013	277,498	235,658
Accumulated depreciation	(4,491)	(3,626)	(5,368)	(139,059)	(115,717)	(74,101)
• Network assets [at cost]	9,529,139	8,956,804	7,715,295	-	-	-
Accumulated depreciation	(1,693,240)	(1,310,838)	(654,732)	-	-	-
• Under construction [Network] [at cost]	80,311	114,688	292,771	-	-	-
	<u>\$8,122,763</u>	<u>\$7,970,123</u>	<u>\$7,572,505</u>	<u>\$501,967</u>	<u>\$504,894</u>	<u>\$544,874</u>

An ODV valuation was carried out as at 31 March 1997. This valued the assets of the line business at that date. The maximum valuation for the distribution assets totalled \$12,680,990.

TAURANGA ELECTRICITY LIMITED

	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
8. INVESTMENT						
Shares - PowerBuy Group Ltd 102,050 ordinary \$1 shares paid to 12.50¢	-	-	-	102,050	102,050	5,000
Loans and advances	28,254	28,247	-	1,747	1,753	-
Tauranga Joint Generation Committee	-	-	-	11,719,272	11,628,614	11,628,614
TrustPower Ltd	-	-	-	2,500	2,500	2,500
	<u>\$28,254</u>	<u>\$28,247</u>	<u>\$0</u>	<u>\$11,825,568</u>	<u>\$11,734,917</u>	<u>\$11,636,114</u>

9. FINANCIAL INSTRUMENTS

Credit Risk

Financial instruments which potentially subject the company to credit risk principally consist of bank balances and accounts receivable. Generally the company does not require collateral. Maximum exposure to credit risk is the amount stated in the financial statements and is net of any recognised provision for losses on these financial instruments.

Concentrations of Credit Risk

The company is not exposed to any concentrations of credit risk.

Credit Facilities

The company has a bank overdraft facility of \$500,000.

Interest Rate Risk

The interest rate risk is limited to the effective interest rate on term loans.

Fair Values

The methods and assumptions used are that the carrying amount in the financial statement reflects the estimated fair value of the financial instruments including receivables, bank and investments, accounts payable and term liabilities. The company anticipates term liabilities and investments will be held to maturity.

Hedge Contracts

Tauranga Electricity Ltd has entered into electricity hedge contracts with Electricity Corporation of NZ [ECNZ] in order to minimise the risk of price fluctuations on the electricity spot market. These hedges have been transferred to PowerBuy Group Ltd and in exchange Tauranga Electricity Ltd has received a fully integrated [FIT] tariff which sets the price irrespective of the quantity purchased in the relevant period. The fair value of electricity price hedging contracts cannot be quantified as it is dependent on electricity demand at the particular time. No value has been recognised in the financial statements.

10. CONTINGENT LIABILITIES

The company had no contingent liabilities at balance date.

Guarantee

The company purchases its energy at the spot price from Kaimai Hydropower Limited. It has also entered into a contract with PowerBuy Ltd for hedges. Any potential liability of the company for the difference between the hedged price and the spot price cannot be quantified.

TAURANGA ELECTRICITY LIMITED

Shareholders' and Underwriting Agreements

The company has entered into a Shareholders' & Underwriting Agreement with PowerBuy Group Ltd whereby PowerBuy Group Ltd will distribute all profits to shareholders but the shareholders have agreed to underwrite any loss incurred by the company.

The directors of Tauranga Electricity Ltd are satisfied that the risk of PowerBuy Group Ltd incurring losses is minimised by systems and internal controls which have been reviewed by an independent party. Tauranga Electricity Ltd's liability under this agreement is limited to \$1,428,693.

Claim - Waitangi Tribunal

The company generates electricity from a hydro-electric station [Omanawa] located on the Omanawa River on land owned by the Tauranga District Council. The Ngati Ranginui and Ngati Rangikawa Hapu have claimed ownership of the land and lodged a claim with the Waitangi Tribunal on 18 February 1993. The amount of the claim is not able to be quantified.

11. COMMITMENTS

	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
Capital Commitments						
Estimated capital expenditure contracted for at balance date but not provided for in relation to the reticulation of subdivisions	\$545,800	\$820,000				\$1,004,350
Operating Lease Commitments						
Lease commitments under non-cancellable operating leases.						
Payable						
• Not later than 1 year	-	-	-	6,009	5,657	5,943
• Later than 1 year and not later than 2 years	-	-	-	2,266	3,525	5,657
• Later than 2 years and not later than 5 years	-	-	-	2,832	-	3,525
				<u>\$11,107</u>	<u>\$9,182</u>	<u>\$15,125</u>

12. TRANSACTIONS WITH RELATED PARTIES

Tauranga Electricity Ltd paid/ received the following amounts to/ from related parties:

	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
Tauranga District Council						
Income	284,724	259,802	234,726	503,214	647,566	647,350
Expenditure	7,052	-	-	30,441	63,471	138,134
Tauranga Civic Holdings Limited						
Income	-	-	-	6,000	-	-
Expenditure	-	3,460,218	923,085	120,050	1,236,842	37,966
Kaimai Hydropower Limited						
Income	-	-	-	19,750	-	-
Expenditure	1,287,638	1,309,764	1,186,885	2,996,487	3,713,892	3,917,595
Aspen Contractors Limited						
Income	-	-	-	3,244	34,828	5,071
Expenditure	-	-	-	20,497	-	-
Kaimai HydroPower [TJGC]						
Income	-	-	-	230,953	103,168	89,706

The accompanying Statement of Accounting Policies and Notes form part of and are to be read in conjunction with these Financial Statements. The Financial Statements have been prepared solely for the purpose of complying with Regulations 6[2] and 6[3] of the Electricity [Information Disclosure] Regulations 1994 and are not intended for any other purpose.

[A:DR97]

TAURANGA ELECTRICITY LIMITED

	Line Business 1997	Line Business 1996	Line Business 1995	Other Business 1997	Other Business 1996	Other Business 1995
Testing Station Services Limited						
Income	986	835	629	14,473	24,515	12,513
Expenditure	-	-	-	4,042	-	-
Ingham Mora Malcolm & Russell						
Expenditure	-	-	-	45,000	45,774	-
Amounts owing to/by related parties at balance date:						
• Tauranga District Council						
Debtor	25,265	15,960	6,718	40,189	395,325	87,669
Creditor	-	-	-	860	6,211	26,239
Loan	28,254	28,247	-	1,746	1,753	-
• Tauranga Civic Holdings Ltd						
Debtor	-	-	-	65,454	563	-
Creditor	-	-	92,800	-	-	-
• Testing Station Services Ltd						
Debtor	-	-	-	980	3,321	-
Creditor	-	-	-	410	-	-
• Kaimai HydroPower [TJGC]						
Debtor	-	-	-	-	13,803	-
Creditor	-	-	-	154,618	-	58,795
• Aspen Contractors Ltd						
Debtor	-	-	-	2,368	360	-
Creditor	-	-	-	2,534	-	-
• Ingham Mora Malcolm & Russell						
Creditor	-	-	-	1,545	5,951	-
• Kaimai Hydropower Ltd						
Debtor	-	-	-	844	-	-
Creditor	-	-	-	152,483	-	-

13. SIGNIFICANT EVENTS AFTER BALANCE DATE

There are no matters subsequent to Balance Date which require disclosure.

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PART C

**PERFORMANCE MEASURES AND STATISTICS
FOR THE YEAR ENDED 31 MARCH 1997**

**Pursuant to Regulations 13, 14, 15 and 16 of the
Electricity [Information Disclosure] Regulations 1994**

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PERFORMANCE MEASURES AND OTHER INFORMATION

The Regulations require electricity companies which operate a line business to publicly disclose and have available upon request a variety of Financial Reliability and Efficiency Performance Measures and Statistics.

In order to achieve consistency in these measure, and to allow comparisons between electricity company, the Regulations require a number of adjustments to be made to the Financial Statements, thus there can be variations in the Financial Statements supplied in Part B of this disclosure and those calculated in this Part C.

1. **Financial Performance Measures**

The Financial Performance Measures, as per Regulation 13, and Part II, Clause 1 of the First Schedule to the Disclosure Regulations, are:

	1997	1996	1995
Accounting return on assets	12.40%	12.37%	11.8%
Accounting return on equity	10.78%	10.95%	9.8%
Accounting rate of profit	11.13%	9.76%	8.1%

2. **Efficiency Performance Measures**

The Efficiency Performance Measures as per Regulation 13 and Part II, Clause 2, of the First Schedule to the Disclosure Regulations are:

Direct line costs per kilometre	\$3,212.83	\$2,775.47	\$2,416.14
Indirect line cost per electricity customer	\$209.49	* \$209.68	* \$205.03

[* denotes a corrected comparative figure]

3. **Energy Delivery Efficiency Performance Measures - Part III, Clause 1**a) **Load Factor**

$$\frac{89,117,058}{21,512 \times 8,760} \times \frac{100}{1} = 47.29 \quad 45.19 \quad 50.82$$

b) **Loss Ratio**

$$\frac{2,264,819}{89,117,058} \times \frac{100}{1} = 2.54 \quad 2.60 \quad 3.82$$

c) **Capacity Utilisation**

$$\frac{21,512}{51,315} \times \frac{100}{1} = 41.93 \quad 41.37 \quad 33.55$$

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		1997	1996	1995
4.	Statistics - Part III, Clause 2			
a]	System Length			
	[Kilometres]			
	33kV	17.731	17.731	17.731
	11kV	55.961	55.651	41.795
	400v	<u>122.124</u>	<u>114.144</u>	<u>98.033</u>
		<u>195.816</u>	<u>187.526</u>	<u>157.559</u>
b]	Total Circuit Kilometre Length			
	[Overhead]			
	33kV	8.478	8.478	8.478
	11kV	1.660	1.660	1.660
	400v	<u>30.340</u>	<u>30.422</u>	<u>30.422</u>
		<u>40.478</u>	<u>40.560</u>	<u>40.560</u>
c]	Total Circuit Kilometre Length			
	[Underground]			
	33kV	9.253	9.253	9.253
	11kV	54.301	53.991	40.135
	400v	<u>91.784</u>	<u>83.722</u>	<u>67.611</u>
		<u>155.338</u>	<u>146.966</u>	<u>116.999</u>
d]	Transformer Capacity [KVA]	51,315	50,715	49,600
e]	Maximum Demand [kW]	21,513	20,980	16,640
f]	Total Electricity Supplied			
	from the System [kWh]	86,852,240	72,609,018	71,243,705
g]	Energy Conveyed for Others [kWh]	929,340	927,709	1,495,710
h]	Total Customers	5,474	5,033	4,538

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RELIABILITY PERFORMANCE MEASURES TO BE DISCLOSED BY LINE OWNERS

The following performance ratios are for the whole of the company's customer base. A significant number of our customers are connected into TrustPower Limited's network and this affects the company's overall performance ratios.

Reliability Performance Measures pursuant to Regulation 16 and Part IV of the First Schedule to the Electricity [Information Disclosure] Regulations 1994, are:

	1997	1996	1995
1. Reliability performance measures			
Class A	0	0	1
Class B	9	2	13
Class C	6	12	4
Class D	1	1	0
Class E	0	0	0
Class F	3	2	0
Class G	0	0	0
Total	<u>19</u>	<u>17</u>	<u>18</u>
2. Total number of faults per 100 circuit kilometres prescribed voltage electric lines	15.51	18.71	6.72
3. Total number of faults per 100 kilometres of underground prescribed voltage electric lines			
33kV	21.62	0.00	0.00
11kV	11.10	26.82	2.49
Total	<u>12.89</u>	<u>22.23</u>	<u>2.03</u>
4. Total number of faults per 100 circuit kilometres of overhead prescribed voltage electric lines			
33kV	23.53	0.00	25.53
11kV	60.24	0.00	60.24
Total	<u>29.52</u>	<u>0.00</u>	<u>29.52</u>
5. The SAIDI for total of interruptions	179.07	48.52	8.03
6. The SAIDI for total of interruptions within each interruption class:			
Class A	0.00	0.00	0.00
Class B	1.98	2.76	2.23
Class C	51.28	27.30	5.80
Class D	69.19	13.47	0.00
Class E	0.00	0.00	0.00
Class F	56.62	4.99	0.00
Class G	0.00	0.00	0.00
7. The SAIFI for total of interruptions	2.83	0.74	0.09

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	1997	1996	1995
8. The SAIFI for total of interruptions within each interruption class:			
Class A	0.00	0.00	0.00
Class B	0.02	0.01	0.02
Class C	0.89	0.49	0.07
Class D	0.77	0.18	0.00
Class E	0.00	0.00	0.00
Class F	1.16	0.06	0.00
Class G	0.00	0.00	0.00
9. The CAIDI for total of interruptions	63.30	65.45	85.17
10. The CAIDI for total of interruptions within each interruption class:			
Class A	0.00	0.00	0.00
Class B	103.27	240.00	97.01
Class C	57.51	55.64	81.36
Class D	90.00	76.00	0.00
Class E	0.00	0.00	0.00
Class F	48.78	80.68	0.00
Class G	0.00	0.00	0.00



