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WAIROA POWER LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1994

Wairoa Power Limited - Other Businesses

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 1997

	Note	1997	1996
SALES		<u>3,810,372</u>	<u>3,928,296</u>
Cost of Sales		3,182,147	3,346,825
Operating costs		<u>932,695</u>	<u>731,445</u>
Total Operating and Trading Costs		4,114,842	4,078,270
NET OPERATING PROFIT		<u>(304,470)</u>	<u>(149,974)</u>
Other Income		557,858	194,483
NET PROFIT BEFORE TAXATION	2	<u>253,388</u>	<u>44,509</u>
Provision for Taxation	3	87,112	16,196
NET PROFIT AFTER TAXATION		<u>166,276</u>	<u>28,313</u>

STATEMENT OF MOVEMENTS IN EQUITY
FOR THE YEAR ENDED 31 MARCH 1997

	Note	1997	1996
Equity at 1 April 1996		2,656,290	2,497,189
Net Profit for period		166,276	28,313
Movement in valuation of land & buildings			81,000
Total recognised revenues and expenses for year		166,276	109,313
Dividends paid or payable		118,975	(49,788)
Equity at 31 March 1997		<u>2,703,591</u>	<u>2,656,290</u>

The accompanying notes form part of these financial statements.

Wairoa Power Limited - Other Businesses

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 1997

	Note	1997	1996
SHAREHOLDERS FUNDS		2,703,591	2,656,290
TERM LIABILITIES	5	600,000	600,000
CURRENT LIABILITIES			
Accounts Payable and Accruals	6	186,923	242,163
Provision for Dividend		<u>118,975</u>	<u>-</u>
		305,898	242,163
		<u>3,609,489</u>	<u>3,498,453</u>
NON CURRENT ASSETS			
Fixed Assets	7	1,769,278	1,778,814
Deferred Taxation	3	19,133	24,608
Investments	8	<u>190,601</u>	<u>91,279</u>
		1,979,012	1,894,701
CURRENT ASSETS			
Bank and cash		959,153	990,480
Receivables and prepayments	11	379,829	406,134
Provision for Income Tax		130,102	41,310
Inventories	12	<u>161,393</u>	<u>165,828</u>
		1,630,477	1,603,752
		<u>3,609,489</u>	<u>3,498,453</u>

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Financial Statements are those of the Other Businesses of Wairoa Power Limited. The period reported 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. The Financial Statements have not been prepared for the purpose of the Financial Reporting Act 1993, or the Energy Companies Act 1992.

Principal Activities

Included in Other Businesses are all the electricity activities (with the exception of Line Business activities defined by regulation 2 of the Electricity (Information Disclosure) Regulations 1994).

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Company, with the exception that certain assets have been revalued.

Methodology of Separation of Business

Wairoa Power Limited has complied with the methodology set out in the Electricity Disclosure Guidelines as issued by the Ministry of Commerce dated 23 June 1994, except for:

- Costs and revenues associated with line contracting services have been excluded from the line business to comply with the Electricity (Information Disclosure) Regulations 1994 which conflict with the guidelines.
- Disconnection fees are included as revenue to the line business.
- Costs incurred for billing services are included as line business costs.
- Meter reading costs have been split evenly between the line business and other businesses.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

Specific Accounting Policies

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

a) Fixed Assets

The Company has five classes of fixed assets:

Freehold Land
Freehold Buildings
Hydro Dam
Generation Equipment
Other Plant & Equipment

All fixed assets are initially recorded at cost.

Freehold land and buildings are subsequently revalued on a cyclical basis with no individual asset being included at a valuation undertaken more than three years previously. Valuations are at net current value as determined by an independent valuer.

b) Depreciation

Depreciation is provided on a straight line basis on all tangible assets other than freehold land, (except for motor vehicles, plant and equipment), at rates calculated to allocate the assets' cost or valuation less estimated residual value over their estimated useful lives. Motor vehicles, plant and equipment are depreciated on a diminishing basis over their expected economic lives.

Major depreciation periods are:

Freehold Buildings	50 years
Hydro Dam	100 years
Generation equipment	25 years
Other Plant & Equipment	8-10 years

d) Receivables

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997

STATEMENT OF ACCOUNTING POLICIES (continued)

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.

Tax effect accounting has been applied on a comprehensive basis to all timing differences. A debit balance in the deferred tax account arising from timing differences or income tax benefits from income tax losses, is only recognised if there is virtual certainty of realisation.

f) Inventories

Inventories are stated at the lower of cost, determined on weighted average cost and net realisable value.

Changes in Accounting Policies

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

	1997	1996
2		
NET PROFIT BEFORE TAXATION		
After Charging:		
Audit fees and expenses	10,125	6,304
Depreciation	114,309	98,070
Directors Fees	46,469	33,750
Interest - Local Authority loans	106,792	111,778
Interest - other	--	--
Gain on disposal of fixed assets	3,178	--
After crediting		
Interest received	177,917	176,558
	1997	1996
3.		
TAXATION		
Profit before taxation	<u>253,388</u>	<u>44,509</u>
Prima facie taxation	83,618	14,688
Plus/(Less) taxation effect of permanent differences		
Non-deductible legal expenses	--	--
Other permanent differences	3,494	1,508
Taxation expense (benefit)	<u>87,112</u>	<u>16,196</u>
The taxation charge is represented by:		
Current taxation	81,637	10,555
Deferred taxation	<u>5,475</u>	<u>5,641</u>
	<u>87,112</u>	<u>16,196</u>
There are no income tax losses or unrecognised timing differences carried forward.		
DEFERRED TAX ASSET		
Balance as at 31 March 1996	24,608	30,249
Depreciation Movement for current year	(5,475)	(56,41)
Balance as at 31 March 1997	<u>19,133</u>	<u>24,608</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

	1997	1996
4. DIVIDENDS AND BONUS ISSUES		
Proposed distributions:		
Proposed dividend	--	--
Proposed employee bonus issue		
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
5. TERM LIABILITIES		
Local Authority Loans	600,000	600,000
Less Current portion	--	--
Total Term Liabilities	<u>600,000</u>	<u>600,000</u>
Repayable as follows		
Less than two years	--	--
Two to five years	600,000	600,000
Beyond five years	--	--
	<u>600,000</u>	<u>600,000</u>
Interest Rates:		
Average interest rate		
Local Authority Loans	17.75	17.75
Security:		
Whilst secured by pledge of future earnings the Local Authority loans are not specifically secured over any of the Company's assets.		
Interest rate risk:		
The interest rate on the local authority loans is 17.75%.		
This rate is fixed throughout the life of the loan.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

	1997	1996
6. ACCOUNTS PAYABLE AND ACCRUALS		
Accounts Payable Trade	131,298	193,080
Accounts Payable Other	--	--
Customer Deposits	--	--
Accrued Expenses	<u>55,625</u>	<u>49,083</u>
	<u>186,924</u>	<u>242,163</u>
7. FIXED ASSETS		
Freehold Land (at valuation)	<u>96,000</u>	<u>96,000</u>
Freehold Buildings (at valuation)	229,574	226,826
Accumulated Depreciation	<u>(53,407)</u>	<u>(44,525)</u>
	<u>176,167</u>	<u>182,300</u>
Waihi Dam (at cost)	1,043,348	1,043,348
Accumulated Depreciation	<u>(120,059)</u>	<u>(109,625)</u>
	<u>923,289</u>	<u>933,723</u>
Generation equipment (at cost)	784,956	784,956
Accumulated Depreciation	<u>(356,385)</u>	<u>(324,985)</u>
	<u>428,571</u>	<u>459,971</u>
Other Plant and Equipment (at cost)	301,336	258,964
Accumulated Depreciation	<u>(156,085)</u>	<u>(152,144)</u>
	<u>145,251</u>	<u>106,820</u>
Total Fixed Assets	<u>1,769,278</u>	<u>1,778,814</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

	1997	1996
8. INVESTMENTS		
Investments are stated at cost and comprise:		
Investments in Companies (unquoted)	50,770	62,015
Sinking Fund Deposits	34,600	29,264
Other Deposits	4,355	-
Local Authority Stock	<u>100,876</u>	<u>-</u>
	190,601	91,279
Sinking Funds:		
Deposits are lodged with the Public Trust Office and National Provident Fund. Interest received on these funds is currently 11.4%.		
11. RECEIVABLES AND PREPAYMENTS	1997	1996
Trade debtors	-	-
Other receivables	379,829	406,134
	<u>379,829</u>	<u>406,134</u>
12. INVENTORIES		
Showroom Inventory	81,341	84,816
Appliance Servicing Inventory	<u>80,052</u>	<u>81,011</u>
	<u>161,393</u>	<u>165,827</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

	1997	1996
11. CONTINGENT LIABILITIES		
Guarantee of bank overdraft facility for Energy Brokers New Zealand Limited to a limit of	<u>2,000,000</u>	<u>24,000</u>
At balance date the amount of the bank overdraft so guaranteed was	<u>-</u>	<u>-</u>
12. COMMITMENTS	1997	1996
Capital Commitments		
Estimated capital expenditure contracted for at balance date but not provided for	-	-
Operating Lease commitments		
The company has no non-cancelable operating leases.		



Audit New Zealand

REPORT OF THE AUDIT OFFICE

We have examined the attached financial statements prepared by Wairoa Power Limited Other Businesses dated 28 July 1997 for the purposes of Regulation 6 of the Electricity (Information Disclosure) Regulations 1994.

We hereby certify that, having made all reasonable enquiry, to the best of our 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.

A handwritten signature in black ink, appearing to read 'Chris Dixon'.

Chris Dixon
Audit New Zealand
On behalf of the Controller and Auditor-General
29 July 1997
Auckland, New Zealand

Wairoa Power Limited - Lines Business

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 MARCH 1997

	Note	1997	1996
SALES		<u>3,275,278</u>	<u>3,639,751</u>
Cost of Sales		914,361	877,272
Operating costs		<u>1,909,752</u>	<u>1,906,374</u>
Total Operating and Trading Costs		2,824,113	2,783,646
NET OPERATING PROFIT		<u>451,165</u>	<u>856,105</u>
Other Income		111,159	113,950
NET PROFIT BEFORE TAXATION	2	<u>562,324</u>	<u>970,055</u>
Provision for Taxation	3	193,325	353,041
NET PROFIT AFTER TAXATION		<u><u>368,999</u></u>	<u><u>617,014</u></u>
STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 31 MARCH 1997			
	Note	1997	1996
Equity at 1 April 1996		5,648,542	5,437,444
Net Profit for period		368,999	617,014
Movement in valuation of land and building		5,241	16,685
Total recognised revenues and expenses for year		374,240	633,699
Dividends paid or payable		258,207	422,601
		<u><u>5,764,575</u></u>	<u><u>5,648,542</u></u>

The accompanying notes form part of these financial statements.

Wairoa Power Limited - Lines Business

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 1997

	Note	1997	1996
SHAREHOLDERS FUNDS		5,764,575	5,648,541
CURRENT LIABILITIES			
Accounts Payable and Accruals	5	617,279	682,479
Provision for Dividend		258,207	422,601
Provision for Income Tax		<u>123,831</u>	<u>-</u>
		999,317	1,105,080
		<u><u>6,763,892</u></u>	<u><u>6,753,621</u></u>
NON CURRENT ASSETS			
Fixed Assets	6	4,135,844	4,183,230
Deferred Taxation	3	15,279	19,656
		<u>4,151,123</u>	<u>4,202,886</u>
CURRENT ASSETS			
Bank & Cash		1,580,139	1,421,739
Receivables and prepayments	7	773,874	871,431
Inventories	8	<u>258,756</u>	<u>257,565</u>
		2,612,769	2,550,735
		<u><u>6,763,892</u></u>	<u><u>6,753,621</u></u>

The accompanying notes form part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997

1. STATEMENT OF ACCOUNTING POLICIES

Reporting Entity

The Financial Statements are those of the Line Business of Wairoa Power Limited. The period reported 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. The Financial Statements have not been prepared for the purpose 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 the Wairoa District.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed by the Company, with the exception that certain assets have been revalued.

Methodology of Separation of Business

Wairoa Power Limited has complied with the methodology set out in the Electricity Disclosure Guidelines as issued by the Ministry of Commerce dated 23 June 1994, except for:

- Costs and revenues associated with line contracting services have been excluded from the line business to comply with the Electricity (Information Disclosure) Regulations 1994 which conflict with the guidelines.
- Disconnection fees are included as revenue to the line business.
- Costs incurred for billing services are included as line business costs.
- Meter reading costs have been split evenly between the line business and other businesses.

Specific Accounting Policies

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

a) Fixed Assets

The Company has four classes of fixed assets:
Freehold Land
Freehold Buildings
Distribution Lines
Other Plant & Equipment

All fixed assets are initially recorded at cost.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

a) Fixed Assets (Continued)

Freehold land and buildings are subsequently revalued on a cyclical basis with no individual asset being included at a valuation undertaken more than three years previously. Valuations are at net current value as determined by an independent valuer.

b) Depreciation

Depreciation is provided on a straight line basis on all tangible assets other than freehold land, (except for motor vehicles, plant and equipment), at rates calculated to allocate the assets' cost or valuation less estimated residual value over their estimated useful lives.

Motor vehicles, plant and equipment are depreciated on a diminishing basis over their expected economic lives.

Major depreciation periods are:

Freehold Buildings	50 years
Distribution Lines	25 years
Other Plant & Equipment	8-10 years

c) Investments

Investments are stated at the lower of cost or net realisable value.

d) Receivables

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful.

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.

Tax effect accounting has been applied on a comprehensive basis to all timing differences. A debit balance in the deferred tax account arising from timing differences or income tax benefits from income tax losses, is only recognised if there is virtual certainty of realisation.

f) Inventories

Inventories are stated at the lower of cost, determined on weighted average cost and net realisable value.

Changes in Accounting Policies

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

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 *continued*

	1997	1996
2. NET PROFIT BEFORE TAXATION		
After Charging:		
Audit fees and expenses	7,875	6,458
Depreciation	309,888	294,210
Directors Fees	36,142	26,250
Interest - Local Authority loans	--	2,662
Interest - other	93	191
Loss on disposal of fixed assets	14,116	3968
After crediting		
Interest received	44,479	44,104
3. TAXATION	1997	1996
Profit before taxation	<u>562,324</u>	<u>970,055</u>
Prima facie taxation	185,567	320,118
Plus/(Less) taxation effect of permanent differences		
Non-deductible legal expenses	--	--
Other permanent differences	7,758	46,558
Taxation expense (benefit)	<u>193,325</u>	<u>353,041</u>
The taxation charge is represented by:		
Current taxation	197,702	366,676
Deferred taxation	<u>(4,377)</u>	<u>(13,635)</u>
	<u>193,325</u>	<u>353,041</u>
There are no income tax losses or unrecognised timing differences carried forward.		
DEFERRED TAX ASSET		
Balance as at 31 March 1996	19,656	33,291
Depreciation Movement for current year	<u>(4,377)</u>	<u>(13,635)</u>
Balance as at 31 March 1997	<u>15,279</u>	<u>19,656</u>

Wairoa Power Limited - Lines Business

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 *continued*

	1997	1996
4. DIVIDENDS AND BONUS ISSUES		
Proposed distributions:		
Proposed dividend	258,207	425,760
5. ACCOUNTS PAYABLE AND ACCRUALS	1997	1996
Accounts Payable Trade	105,531	59,292
Accounts Payable Other	201,108	202,482
Customer Deposits	31,967	21,209
Accrued Expenses	<u>278,673</u>	<u>399,496</u>
	<u>617,279</u>	<u>682,479</u>
6. FIXED ASSETS	1997	1996
Freehold Land (at valuation)	<u>79,600</u>	<u>84,600</u>
Freehold Buildings (at valuation)	480,675	504,765
Accumulated Depreciation	<u>(39,481)</u>	<u>(39,872)</u>
	<u>441,194</u>	<u>464,893</u>
Distribution lines (at cost)	5,356,051	5,168,781
Accumulated Depreciation	<u>(2,111,563)</u>	<u>(1,894,408)</u>
	<u>3,244,488</u>	<u>3,274,373</u>
Other Plant and Equipment (at cost)	868,264	829,691
Accumulated Depreciation	<u>(497,702)</u>	<u>(470,327)</u>
	<u>370,562</u>	<u>359,364</u>
Total Fixed Assets	<u>4,135,844</u>	<u>4,183,230</u>
Valuation:		
Revalued freehold land & buildings are stated at net current value as determined by an independent registered valuer C W Nyberg ANZIV, of the firm Darroch & Co Ltd, as at 31 March 1996.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1996 continued

	1997	1996
7. RECEIVABLES AND PREPAYMENTS		
Trade Debtors	653,016	717,926
Other Receivables	120,858	151,240
Prepayments	--	2,265
	<u>773,874</u>	<u>871,431</u>
8. INVENTORIES		
Line & General Inventories	<u>258,756</u>	<u>257,565</u>
9. CONTINGENT LIABILITIES		
The Business has no contingent liabilities.		
10. COMMITMENTS		
Capital Commitments		
The Business has no capital commitments at balance date.		
Operating lease commitments		
The Business has no non-cancellable operating leases.		
11. TRANSACTIONS WITH RELATED PARTIES		
Wairoa Power Limited paid rates to Wairoa District Council, a significant shareholder. The rates were charged on normal terms and conditions.		
No related party debts have been written off or forgiven during the year.		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

	1997	1996	1995
12. FINANCIAL PERFORMANCE MEASURES			
Accounting return on total assets	5.89%	9.14%	10.00%
Accounting return on equity	4.37%	6.25%	7.39%
Accounting rate of profit	3.90%	6.09%	7.78%
13. EFFICIENCY PERFORMANCE MEASURES	1997	1996	1995
Direct Line costs per kilometre	\$1,077	\$1,142	\$1,442
Indirect Line costs per customer	\$106	\$89	\$86
14. ENERGY DELIVERY PERFORMANCE MEASURES 1997	1996	1995	
Load Factor	47.4	53.0	55.0
Loss Ratio	7.45	7.44	4.62
Capacity Utilisation	22.3	23.1	21.0
15. ODV VALUATION			
ODV valuation as at 31 March 1995 was		\$9.84 million	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

16. STATISTICS

Overhead lines	1997	1996	1995
	km	km	km
Nominal Line Voltage			
66kV/50kv	82.6	82.6	82.6
11kv	774.4	773.0	773.7
< 3.3kV	<u>29.6</u>	<u>29.6</u>	<u>29.8</u>
Total	886.6	885.2	886.1
Underground lines	1997	1996	1995
Nominal Line Voltage	km	km	km
11kv	13.7	13.7	13.5
< 3.3kV	<u>52.8</u>	<u>52.8</u>	<u>52.6</u>
Total	66.5	66.5	66.1
System Length	1997	1996	1995
Nominal Line Voltage	km	km	km
66kV/50kv	82.6	82.6	82.6
11kv	788.1	786.7	787.2
< 3.3kV	<u>82.4</u>	<u>82.4</u>	<u>82.4</u>
Total	953.1	951.7	952.2
	1997	1996	1995
Transformer Capacity	57,490 kVA	57,274 kVA	52,274 kVA
Maximum Demand	12,832 kW	13,269 kW	12,047 kW
Total electricity supplied from system	53,252,038 kWh	57,212,750 kWh	55,184,304 kWh
Total electricity conveyed for other parties	Nil	Nil	Nil
Total Customers	5,424	5,456	5,486

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 continued

17. RELIABILITY PERFORMANCE MEASURES

Total Number of faults per 100 kilometres of Prescribed Voltage Lines

Overhead lines	1997	1996	1995
Nominal Line Voltage			
66kV/50kv	7.26	4.83	2.42
11kv	<u>22.21</u>	<u>7.50</u>	<u>5.17</u>
Total	20.77	7.24	7.24
Underground lines	1997	1996	1995
Nominal Line Voltage			
11kv	0.00	0.00	7.41
Total	0.00	0.00	7.41
Total			
Nominal Line Voltage	1997	1996	1995
66kV/50kv	7.26	4.83	2.42
11kv	<u>21.82</u>	<u>7.37</u>	<u>5.21</u>
Total	20.44	7.13	4.94

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 *continued*18. RELIABILITY PERFORMANCE MEASURES (*continued*)

Interruption Class		1997	1996	1995	
A	Planned Interruption by Trans Power	Number	2	0	2
		SAIDI	26.9	0.0	56.0
		SAIFI	0.24	0.0	0.50
		CAIDI	112.0	0.0	114.5
B	Planned Interruption by Other Line Owner	Number	43	25	34
		SAIDI	98.6	166.0	201.0
		SAIFI	0.93	1.04	1.20
		CAIDI	106.0	160.0	167.0
C	Unplanned Interruption by Other Line Owner	Number	178	59	88
		SAIDI	748.0	499.0	1081.4
		SAIFI	7.1	4.4	2.3
		CAIDI	105.5	115.0	469.1
D	Unplanned Interruption by Trans Power	Number	0	2	1
		SAIDI	0.0	57.0	0.3
		SAIFI	0.0	2.2	0.1
		CAIDI	0.0	26.0	5.0
E	Unplanned Interruption by ECNZ	Number	0	1	0
		SAIDI	0.0	7.0	0.0
		SAIFI	0.0	1.0	0.0
		CAIDI	0.0	7.0	0.0
F	Unplanned Interruption by any other generator	Number	0	0	0
		SAIDI	0	0	0
		SAIFI	0	0	0
		CAIDI	0	0	0

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1997 *continued*18. RELIABILITY PERFORMANCE MEASURES (*continued*)

G		Unplanned Interruption not resulting from above			
		Number	0	0	0
		SAIDI	0	0	0
		SAIFI	0	0	0
		CAIDI	0	0	0
	Total	Number	223	87	125
		SAIDI	872.8	729.0	1339.8
		SAIFI	8.3	8.6	4.1
		CAIDI	105.7	85.0	330.0
SAIDI	System Average Interruption Duration Index (minutes per customer per year)				
SAIFI	System Average Interruption Frequency Index (interruptions per customer per year)				
CAIDI	Customer Average interruption Duration Index (minutes per customer interrupted)				

Form 5

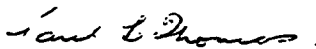
CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES AND
STATISTICS DISCLOSED BY LINE OWNERS OTHER THAN TRANS POWER

We, Paul Litser Thomas and James Millar Heron directors of Wairoa Power Limited, certify that having made all reasonable enquiry, to the best of our knowledge, -

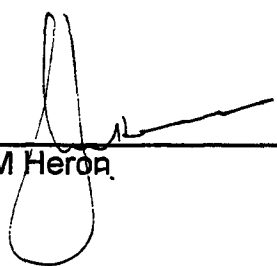
- (a) The attached audited financial statements of Wairoa Power Limited, prepared for the purposes of regulation 8 of the Electricity (Information Disclosure) Regulations 1994, give a true and fair view of the matters to which they relate and comply with the requirements of those regulations; and
- (b) The attached information, being financial performance measures, efficiency performance measures, energy delivery efficiency performance measures, statistics and reliability performance measures in relation to Wairoa Power 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 1995.

Signed:



P L Thomas



J M Heron

Date: 4 August 1997



Audit New Zealand

REPORT OF THE AUDIT OFFICE

We have examined the attached financial statements prepared by Wairoa Power Limited Lines Businesses dated 28 July 1997 for the purposes of Regulation 6 of the Electricity (Information Disclosure) Regulations 1994.

We hereby certify that, having made all reasonable enquiry, to the best of our 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.

A handwritten signature in black ink, appearing to read 'Chris Dixon', written in a cursive style.

Chris Dixon
Audit New Zealand
On behalf of the Controller and Auditor-General
29 July 1997
Auckland, New Zealand



Audit New Zealand

REPORT OF THE AUDIT OFFICE

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,

which have been prepared by Wairoa Power Limited and dated 28 July 1997 for the purposes of Regulation 13 of those regulations.

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

A handwritten signature in black ink, appearing to read 'Chris Dixon'. The signature is fluid and cursive, with the first name 'Chris' being more prominent than the last name 'Dixon'.

Chris Dixon
Audit New Zealand
On behalf of the Controller and Auditor-General
29 July 1997
Auckland, New Zealand



Chartered Accountants

CERTIFICATION BY AUDITOR IN RELATION TO ODV VALUATION

WAIROA POWER LIMITED

I have examined the valuation report prepared by KPMG Peat Marwick and dated 8 June 1995, which report contains valuations as at 31 March 1995.

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.

A handwritten signature in cursive script that reads 'Ross Buckley'.

ROSS BUCKLEY
Partner

5 July 1995



