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WAITOMO ENERGY SERVICES LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1994

WAITOMO ENERGY SERVICES LIMITED**Electricity and Other Business Activity
Statement of Financial Performance
For Year Ended 31st March 1998**

	Note	1998 \$ 000's	1997 \$ 000's
Income			
Electricity		7,971	7,893
Other		2,775	2,981
Interest (net)		<u>21</u>	<u>518</u>
		10,767	11,392
Electricity Costs		6,225	5,663
Cost of Goods & Services Supplied		2,493	2,710
Projects		64	131
Corporate Expenses		667	876
Gain on Sale		0	(17)
Depreciation		<u>265</u>	<u>259</u>
		9,714	9,622
Abnormal Expenses		-	-
Net Profit before Tax and Discount		1,053	1,770
Taxation expense	2	<u>372</u>	<u>590</u>
Net Profit After Tax		681	1,180
Customer Discount	3	<u>756</u>	<u>495</u>
Net Profit after Tax and Discount		(75)	685
Retained Earnings at Beginning of Year		<u>2,187</u>	<u>1,502</u>
Total Retained Earnings		<u><u>2,112</u></u>	<u><u>2,187</u></u>

WAITOMO ENERGY SERVICES LIMITED**Electricity and Other Business Activity
Statement of Financial Position
As At 31st March 1998**

	Note	1998 \$ 000's	1997 \$ 000's
CORPORATE FUNDS			
Share Capital		1,992	1,992
Retained Earnings		2,112	2,187
Revaluation Reserve		<u>6,500</u>	<u>6,493</u>
		<u>10,604</u>	<u>10,672</u>
Fixed Assets	4	10,087	10,224
Investments		<u>307</u>	<u>63</u>
		10,394	10,287
Current Assets			
Cash		303	248
Receivables and Prepayments		1,485	1,439
Work in Progress		323	39
Inventory		<u>71</u>	<u>463</u>
		2,182	2,189
Total Assets Employed		12,576	12,476
Term Liabilities			
Deferred Tax	5	<u>(430)</u>	<u>(350)</u>
		(430)	(350)
Current Liabilities			
Accounts Payable		1,121	1,184
General Provisions		479	484
Customer Discount Provision		<u>802</u>	<u>486</u>
		2,402	2,154
Total Liabilities		<u>1,972</u>	<u>1,804</u>
Net Assets Employed		<u>10,604</u>	<u>10,672</u>

WAITOMO ENERGY SERVICES LIMITED
Electricity and Other Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

NOTE 1:**NATURE OF COMPANY'S BUSINESS**

The Company's core business is the distribution, generation and retail of electricity and associated services.

STATUTORY BASE

Waitomo Energy Services Ltd is incorporated under the Companies Act 1993 in accordance with the Energy Companies Act 1992. The accounts are prepared in accordance with the Companies Act 1993, the Financial Reporting Act 1993, and the Electricity (Information Disclosure) Regulations 1994.

STATEMENT OF ACCOUNTING POLICIES

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

The general accounting policies recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed except where revaluation of assets are incorporated, and other items disclosed in the accounting policies listed below.

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

(a) Receivables

Receivables are stated at their estimated realisable value.

(b) Fixed Assets

The Company has five classes of fixed assets:

- Freehold Land
- Freehold Buildings
- Motor Vehicles, Plant and Equipment
- Generation Assets

Land and Buildings were independently valued by Hughes Valuations on 31st March 1997 based on estimated market value.

Generation assets are valued at cost except the headworks, these were independently valued by Grant Samuel on 31st March 1997 to an estimated net present value as at 31st March 1997. This valuation is lower than the depreciated replacement cost of the assets as calculated by Worleys.

Increases in valuations have been transferred to the Revaluation Reserve in Shareholders Equity.

Motor Vehicles, Plant and Equipment and all other assets have been valued at cost less accumulated depreciation.

(c) Staff Leave and Gratuity Payments

Provision is made in respect of the Company's liability for annual leave and gratuity payments. At the balance date retiring gratuities have been accrued in respect of all employees with more than 10 years service with the Company and aged 45 years or over. Gratuity payment is paid on the retirement of an employee who has at the time of retirement been currently continuously employed by the Company for a period of at least 10 years.

WAITOMO ENERGY SERVICES LIMITED
Electricity and Other Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

(d) Depreciation

Depreciation is provided on either a straight line or a diminishing value basis on all fixed assets other than freehold land and perpetually renewable distribution assets, at rates calculated to allocate the assets' cost or valuation less estimated residual value, over their estimated useful life.

Major depreciation rates and methods:

Buildings and generation headworks	40-100 years	Straight Line
Generation Plant	10%	Diminishing Value
Motor Vehicles, plant & equipment	10% to 50%	Diminishing Value
Land is not depreciated.		

(e) Inventory

Stocks are stated at the lower of cost, determined on an average cost basis, or net realisable value.

(f) Investments

Short term deposits and shares are stated at the lower of cost or estimated realisable value.

(g) Taxation

Income tax expense is recognised on the operating surplus before taxation adjusted for permanent differences between taxable and accounting income. The tax effect of all timing differences, expected to reverse in the foreseeable future, which arise from items being brought to account in different periods for income tax and accounting purposes, is recognised in the Statement of Financial Position as a future tax benefit or a provision for deferred tax. The future tax benefit or provision for deferred tax is stated at the income tax prevailing at balance date.

Future tax benefits are not recognised unless realisation of the asset is virtually certain.

The Company uses the liability method of accounting for deferred taxation at the income tax rate prevailing at balance date and applies this on a partial basis.

(h) Changes in Accounting Policies

There have been no changes in accounting policies during the year.

(i) Basis of Allocations to Business Units

In general the Ministry of Commerce guidelines for allocation of income and expenditure have been applied. Deviations from the guidelines have been used where assumptions made in the guidelines have not held true for Waitomo Energy Services Limited. These are as follows:

The assumption that energy alone interfaces with consumers does not hold true for the company. Meter reading and various other customer related expenses are allocated across each business unit.

Various overhead costs that are an integral part of operating each business and have been allocated according to relative fixed assets involved in each business.

Interest costs allocated to the Lines Business reflects those costs associated with the Subordinated Debt. These loans were set up to ensure the fair cost allocation of low density customers.

The Customer Discount provided to be returned to customers has been allocated on a cash flow basis relative to each business segment.

WAITOMO ENERGY SERVICES LIMITED
Electricity and Other Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

NOTE 2:

Taxation Expense	1998	1997
Nominal Profit Before Tax	1,052,564	1,769,892
Prima Facie Taxation @ 33%	347,367	584,064
Add/(Less) Effect of Permanent Tax Diff	21,348	8,411
Plus Prior Period Liability	<u>2,857</u>	<u>(2,162)</u>
Net Taxation Expense	<u>\$ 371,552</u>	<u>\$ 590,313</u>

NOTE 3:

Customer Discount		
Discount Declared	1,128,000	739,147
Less Taxation Effect	<u>372,240</u>	<u>243,918</u>
	<u>\$ 755,760</u>	<u>\$ 495,228</u>

NOTE 4:**Fixed Assets 1998**

	Cost	At Valuation	Accumulated Depreciation	Carrying Value
Land	0	132,130	0	132,130
Buildings	0	821,257	12,378	808,879
Generation System	2,034,127	7,079,347	401,451	8,712,023
MV Plant & Equipment	912,371	0	487,766	424,605
Capital Work in Progress	<u>9,221</u>	<u>0</u>	<u>0</u>	<u>9,221</u>
	<u>2,955,719</u>	<u>8,032,734</u>	<u>901,595</u>	<u>10,086,858</u>

Fixed Assets 1997

	Cost	At Valuation	Accumulated Depreciation	Carrying Value
Land	0	142,088	0	142,088
Buildings	0	859,488	0	859,488
Generation System	1,844,726	7,079,347	270,189	8,653,884
MV Plant & Equipment	795,369	0	366,709	428,660
Capital Work in Progress	<u>139,910</u>	<u>0</u>	<u>0</u>	<u>139,910</u>
	<u>2,780,005</u>	<u>8,080,923</u>	<u>636,898</u>	<u>10,224,030</u>

WAITOMO ENERGY SERVICES LIMITED
Electricity and Other Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

NOTE 5:**Deferred Taxation**

1998

1997

Represented by the following timing differences:

Accruals & Provisions	\$(430,256)	\$(349,525)
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NOTE 6: SEGMENTAL INFORMATION

Waitomo Energy Services operates predominantly in one geographical segment. It is located in the mid-central North Island in the King Country. The head office is located in the township of Te Kuiti.

NOTE 7:- SUBSEQUENT EVENTS

Subsequent to balance date the Government has proposed legislation which will regulate the ability of electricity supply companies to own various assets.

The proposed legislation requires legal separation of the company's existing line distribution and energy trading assets ultimately this will require the company to transfer part of its existing assets to another entity.

The Directors have yet to finalise a full response to the proposed legislation and decide which assets the existing company will retain.

No adjustments to these financial statements have been made as a result of any possible impact of the amended legislative environment.

WAITOMO ENERGY SERVICES LIMITED**Line Business Activity
Statement of Financial Performance
For Year Ended 31st March 1998**

	Note	1998 \$ 000's	1997 \$ 000's
Income		9,499	9,246
Transmission costs		(2,179)	(2,443)
Line losses		<u>(662)</u>	<u>(680)</u>
		6,658	6,123
System Costs		1,752	1,736
Insurance		73	72
Indirect costs		765	877
Interest		203	199
Asset Replacement		132	209
Loss on Sale		0	30
Depreciation		<u>303</u>	<u>291</u>
		3,228	3,414
Net Profit before Tax and Discount		3,430	2,709
Taxation expense	2	<u>919</u>	<u>721</u>
Net Profit After Tax		2,511	1,988
Customer Discount	3	<u>1,122</u>	<u>1,005</u>
Net Profit after Tax and Discount		1,389	983
Retained Earnings at Beginning of Year		<u>2,512</u>	<u>1,529</u>
Total Retained Earnings		<u><u>3,901</u></u>	<u><u>2,512</u></u>

WAITOMO ENERGY SERVICES LIMITED**Line Business Activity
Statement of Financial Position
As At 31st March 1998**

	Note	1998 \$ 000's	1997 \$ 000's
CORPORATE FUNDS			
Share Capital		6,021	6,021
Retained Earnings		3,901	2,512
Revaluation Reserve		<u>18,696</u>	<u>18,696</u>
		<u>28,618</u>	<u>27,229</u>
Fixed Assets			
Investments	4	32,203	31,324
		<u>0</u>	<u>0</u>
		32,203	31,324
Current Assets			
Cash		(176)	(292)
Receivables and Prepayments		1,446	1,388
Inventory		427	462
Work in Progress		<u>8</u>	<u>6</u>
		1,705	1,564
Total Assets Employed		33,908	32,888
Term Liabilities			
Loans	5	3,000	3,000
Deferred Tax	6	<u>357</u>	<u>411</u>
		3,357	3,411
Current Liabilities			
Accounts Payable		472	413
General Provisions		285	347
Short Term Loan		0	500
Customer Discount Provision		<u>1,176</u>	<u>988</u>
		1,933	2,248
Total Liabilities		<u>5,290</u>	<u>5,659</u>
Net Assets Employed		<u>28,618</u>	<u>27,229</u>

WAITOMO ENERGY SERVICES LIMITED
Line Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

NOTE 1:**NATURE OF COMPANY'S BUSINESS**

The Company's core business is the distribution, generation and retail of electricity and associated services.

STATUTORY BASE

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STATEMENT OF ACCOUNTING POLICIES

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

The general accounting policies recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed except where revaluation of assets are incorporated, and other items disclosed in the accounting policies listed below.

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

(a) Receivables

Receivables are stated at their estimated realisable value.

(b) Fixed Assets

The Company has five classes of fixed assets:

- Freehold Land
- Freehold Buildings
- Motor Vehicles, Plant and Equipment
- Distribution System

Land and Buildings were independently valued by Hughes Valuations on 31st March 1997 based on estimated market value.

The distribution system has been independently valued based upon optimised depreciated value by an electrical engineer and Coopers & Lybrand, with the exception of

- 11kV and low voltage distribution lines which have been valued at 70% of optimised deprival value, (odv).
- Meters and Load Control Relays are included at cost.

Increases in valuations have been transferred to the Revaluation Reserve in Shareholders Equity.

Motor Vehicles, Plant and Equipment and all other assets have been valued at cost less accumulated depreciation.

(c) Staff Leave and Gratuity Payments

Provision is made in respect of the Company's liability for annual leave and gratuity payments. At the balance date retiring gratuities have been accrued in respect of all employees with more than 10 years service with the Company and aged 45 years or over. Gratuity payment is paid on the retirement of an employee who has at the time of retirement been currently continuously employed by the Company for a period of at least 10 years.

WAITOMO ENERGY SERVICES LIMITED
Line Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

(d) Depreciation

Depreciation is provided on either a straight line or a diminishing value basis on all fixed assets other than freehold land and perpetually renewable distribution assets, at rates calculated to allocate the assets' cost or valuation less estimated residual value, over their estimated useful life.

Major depreciation rates and methods:

Buildings	40-100 years	Straight Line
Motor Vehicles, plant & equipment	10% to 50%	Diminishing Value
Network plant & equipment	20 - 50 years	Straight Line
Land is not depreciated.		

Infrastructural accounting has been adopted for those parts of the distribution asset that are perpetually renewed. This means:

- (i) The asset is not depreciated
- (ii) Asset replacements are expensed in the year of replacement, unless the replacement of any individual asset materially increases the network odv value in which case the asset is capitalised to the extent of the increase in odv value.
- (iii) Any reductions in odv value of the network asset due to inadequate maintenance are expensed in the year of inadequate maintenance.

Other components which are separately identifiable and have a finite life e.g. 33kV substation transformers are depreciated.

(e) Inventory

Stocks are stated at the lower of cost, determined on an average cost basis, or net realisable value.

(f) Investments

Short term deposits and shares are stated at the lower of cost or estimated realisable value.

(g) Taxation

Income tax expense is recognised on the operating surplus before taxation adjusted for permanent differences between taxable and accounting income. The tax effect of all timing differences, expected to reverse in the foreseeable future, which arise from items being brought to account in different periods for income tax and accounting purposes, is recognised in the Statement of Financial Position as a future tax benefit or a provision for deferred tax. The future tax benefit or provision for deferred tax is stated at the income tax prevailing at balance date.

Future tax benefits are not recognised unless realisation of the asset is virtually certain.

The Company uses the liability method of accounting for deferred taxation at the income tax rate prevailing at balance date and applies this on a partial basis.

(h) Changes in Accounting Policies

There have been no changes in accounting policies during the year.

WAITOMO ENERGY SERVICES LIMITED
Line Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

(i) Basis of Allocations to Business Units

In general the Ministry of Commerce guidelines for allocation of income and expenditure have been applied. Deviations from the guidelines have been used where assumptions made in the guidelines have not held true for Waitomo Energy Services Limited. These are as follows:

The assumption that energy alone interfaces with consumers does not hold true for the company. Meter reading and various other customer related expenses are allocated across each business unit.

Various overhead costs that are an integral part of operating each business and have been allocated according to relative fixed assets involved in each business.

Interest costs allocated to the Lines Business reflects those costs associated with the Subordinated Debt. These loans were set up to ensure the fair cost allocation of low density customers.

The Customer Discount provided to be returned to customers has been allocated on a cash flow basis relative to each business segment.

WAITOMO ENERGY SERVICES LIMITED
Line Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

NOTE 2:

Taxation Expense	1998	1997
Nominal Profit Before Tax	3,429,886	2,709,108
Prima Facie Taxation @ 33%	1,131,862	894,006
Add/(Less) Effect of Permanent Tax Diff	(212,718)	(172,702)
Plus Prior Period Liability	<u> </u>	<u> </u>
Net Taxation Expense	<u><u>\$ 919,144</u></u>	<u><u>\$ 721,304</u></u>

NOTE 3:

Customer Discount		
Discount Declared	1,673,956	1,500,691
Less Taxation Effect	<u>552,405</u>	<u>495,228</u>
	<u><u>\$1,121,551</u></u>	<u><u>\$1,005,463</u></u>

NOTE 4:**Fixed Assets 1998**

	Cost	At Valuation	Accumulated Depreciation	Carrying Value
Land	99,576	27,458	0	127,034
Buildings	0	468,700	10,700	458,000
Distribution System	1,151,443	28,846,979	65,892	29,932,530
MV Plant & Equipment	1,784,141	0	849,138	935,003
Capital Work in Progress	<u>750,581</u>	<u>0</u>	<u>0</u>	<u>750,581</u>
	<u><u>3,785,741</u></u>	<u><u>29,343,137</u></u>	<u><u>925,730</u></u>	<u><u>32,203,148</u></u>

Fixed Assets 1997

	Cost	At Valuation	Accumulated Depreciation	Carrying Value
Land	99,126	23,500	0	122,626
Buildings	0	464,972	0	464,972
Distribution System	728,144	28,846,979	135,603	29,439,520
MV Plant & Equipment	1,515,405	0	697,656	817,749
Capital Work in Progress	<u>479,071</u>	<u>0</u>	<u>0</u>	<u>479,071</u>
	<u><u>2,821,746</u></u>	<u><u>29,335,451</u></u>	<u><u>833,259</u></u>	<u><u>31,323,938</u></u>

WAITOMO ENERGY SERVICES LIMITED
Line Business Activity
Notes to the Financial Statements
For the Year Ended 31st March 1998

NOTE 5:

Loans	1998	1997
	3,000,000	3,000,000

The perpetual loans are subordinated debentures issued to:

- Waitomo Energy Services Customer Trust
\$1,000,000 at a rate of 9.5%
- Northern King Country Development Trust
\$2,000,000 at a rate of 5.0%

The subordinated debentures are unsecured.

NOTE 6:

Deferred Taxation	1998	1997
Represented by the following timing differences:		

Fixed Assets	834,433	845,402
Accruals & Provisions	<u>(477,560)</u>	<u>(443,734)</u>
	<u>356,873</u>	<u>410,668</u>

NOTE 7: SEGMENTAL INFORMATION

Waitomo Energy Services operates predominantly in one geographical segment. It is located in the mid-central North Island in the King Country. The head office is located in the township of Te Kuiti.

NOTE 8: RELATED PARTY TRANSACTIONS

During the year the Company paid Waitomo Energy Services Customer Trust \$102,500 of interest on a subordinated debenture.

NOTE 9: SUBSEQUENT EVENTS

Subsequent to balance date the Government has proposed legislation which will regulate the ability of electricity supply companies to own various assets.

The proposed legislation requires legal separation of the company's existing line distribution and energy trading assets ultimately this will require the company to transfer part of its existing assets to another entity.

The Directors have yet to finalise a full response to the proposed legislation and decide which assets the existing company will retain.

No adjustments to these financial statements have been made as a result of any possible impact of the amended legislative environment.

WAITOMO ENERGY SERVICES LTD

Disclosure of financial and efficiency performances measures as required 13,14, 15 and 16 of the Electricity (Information Disclosure) Regulations 1994.

	Year ended 31 March			
	1998	1997	1996	1995
Regulation 13:				
1. Financial performance measures				
(a) Accounting return on total assets	9.27%	7.64%	7.13%	6.24%
(b) Accounting return on equity	6.93%	5.67%	5.41%	4.74%
(c) Accounting rate of profit	6.62%	5.25%	5.07%	4.71%
For the purpose of calculating the above ratios the revenue has been calculated before special discounts and the tax has been calculated before the effect of special discounts. This has an effect of increasing 1998 revenue by \$1,122,000 and decreasing tax by \$370,260.				
2. Financial performance measures				
(a) Accounting return on total assets	5.00%	3.69%		
(b) Accounting return on equity	3.83%	2.80%		
(c) Accounting rate of profit	3.75%	2.60%		
For the purposes of calculating the above ratios the 1998 revenue has been calculated deducting special discounts paid of \$1,673,956.				
3. Efficiency performance measures				
(a) Direct line costs per kilometre	\$762	\$706	\$690	\$662
(b) Indirect line costs per electricity customer.	\$66	\$68	\$70	\$72
4. (a) Load Factor	57.73%	60.28%	56.34%	56.25%
(b) Loss Ratio	8.80%	8.64%	8.86%	8.89%
(c) Capacity Utilisation	37.24%	34.12%	35.82%	35.66%

Regulation 14a:

5. As at 1st April 1997 the ODV Valuation of the lines business

- (a) As certified by Coopers & Lybrand was \$39.51 million
- (b) Without financial and other assets was \$39.94 million
- (c) Without meters and relays was \$37.57 million

The ODV has been certified by PricewaterhouseCoopers as complying with the 1998 handbook.

Regulation 15:

Statistics

(a) System lengths (kms)				
- 33kV	207	204	204	204
- 11kV	2,221	2,220	2,220	2,220
- LV	<u>139</u>	<u>138</u>	<u>138</u>	<u>138</u>
- Total	<u>2,567</u>	<u>2,562</u>	<u>2,562</u>	<u>2,562</u>
(b) Circuit length (overhead) (kms)				
- 33kV	207	204	204	204
- 11kV	2,215	2,214	2,214	2,214
- LV	<u>123</u>	<u>123</u>	<u>123</u>	<u>123</u>
- Total	<u>2,545</u>	<u>2,541</u>	<u>2,541</u>	<u>2,541</u>
(c) Circuit length (underground) (kms)				
- 11 kV	6	6	6	6
- LV	<u>16</u>	<u>15</u>	<u>15</u>	<u>15</u>
- Total	<u>22</u>	<u>21</u>	<u>21</u>	<u>21</u>
(d) Transformer capacity (kVA)	82,959	82,758	81,109	78,211
(e) Maximum demand (kW)	30,900	28,240	29,050	27,890
(f) Total electricity supplied (kWH)(000's)	142,529	134,571	130,673	125,228
(g) Total electricity conveyed on behalf of other persons.	0	0	0	0
(h) Total customer	9,726	9,525	8,961	8,740
(i) Total metered installations	11,610	12,948	12,305	11,674

	Year ended 31 March			
	1998	1997	1996	1995
Regulation 16:				
6. (1) Reliability performance measures				
Class A	0	0	0	0
Class B	343	511	350	290
Class C	257	385	369	300
Class D	4	10	12	4
Class E	0	0	0	0
Class F	0	0	0	0
Class G	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>604</u>	<u>906</u>	<u>731</u>	<u>594</u>
(2) Total number of faults per 100 circuit kilometres prescribed voltage electric lines.	10.0	14.7	14.4	12.1
(3) Total number of faults per 100 circuit kilometres of underground prescribed voltage electric lines.				
- 33kV	0	0	0	0
- 11kV	<u>0</u>	<u>16.7</u>	<u>4.8</u>	<u>33.3</u>
- Total	<u>0</u>	<u>16.7</u>	<u>4.8</u>	<u>33.3</u>
(4) Total number of faults per 100 circuit kilometres of overhead prescribed voltage electric lines.				
- 33kV	15.7	13.2	16.7	9.8
- 11kV	<u>9.5</u>	<u>14.7</u>	<u>15.0</u>	<u>12.3</u>
- Total	<u>10.0</u>	<u>14.7</u>	<u>14.5</u>	<u>12.1</u>
(5) The SAIDI for total of interruptions	662.2	866.3	714.92	886.4
(6) The SAIDI for total of interruptions within each interruptions class -				
Class A	0	0	0	0
Class B	334.5	368.7	331.05	398.7
Class C	303.8	460.5	370.15	468.8
Class D	23.9	37.09	13.71	18.8
Class E	0	0	0	0
Class F	0	0	0	0
Class G	0	0	0	0
(7) The SAIFI for total of interruptions	9.3	11.00	11.03	9.59
(8) The SAIFI for total of interruptions within each interruption class -				
Class A	0	0	0	0
Class B	1.79	1.90	1.68	1.52
Class C	6.98	7.76	9.08	7.59
Class D	0.54	1.34	0.27	0.47
Class E	0	0	0	0
Class F	0	0	0	0
Class G	0	0	0	0
(9) The CAIDI for total of interruptions	71.18	78.78	64.81	92.43
(10) The CAIDI for total interruptions within each interruption class -				
Class A	-	-	-	-
Class B	186.73	194.30	196.73	262.33
Class C	43.55	59.35	40.76	61.77
Class D	44.54	27.68	51.37	40.04
Class E	-	-	-	-
Class F	-	-	-	-
Class G	-	-	-	-

**Deloitte Touche
Tohmatsu**



**CERTIFICATION BY AUDITOR IN RELATION TO
FINANCIAL STATEMENTS**

I have examined the attached financial statements prepared by Waitomo Energy Services Limited and dated 6 August 1998 for the purposes of regulation 6 of the Electricity (Information 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.

Bruce Taylor
Deloitte Touche Tohmatsu, Hamilton
On Behalf of the Controller & Auditor General
6 August 1998

**Deloitte Touche
Tohmatsu**



CERTIFICATION OF PERFORMANCE MEASURES BY AUDITOR

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 Waitomo Energy Services Limited and dated 6 August 1998 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.

Bruce Taylor
Deloitte Touche Tohmatsu, Hamilton
On Behalf of the Controller & Auditor General
6 August 1998

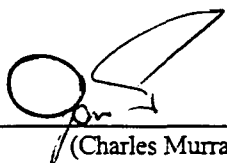
**“Certification of Financial Statement, Performance Measures, and Statistics
Disclosed by Line Owners Other than Trans Power”**

WE, **Charles Murray Loewenthal** and **Robert Alexander Kidd**, Directors of **Waitomo Energy Services Limited**, certify that, having made all reasonable inquiry, to the best of our knowledge, -

- (a) The attached audited financial statements of **Waitomo Energy Services 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 **Waitomo Energy Services 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.

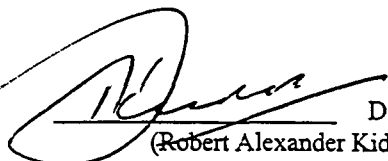
The valuations on which those financial performance measures are based are as at 31st March 1998.

Signature:



(Charles Murray Loewenthal) Director

Signature:



(Robert Alexander Kidd) Director

Date:

6 August 1998

PRICEWATERHOUSECOOPERS 

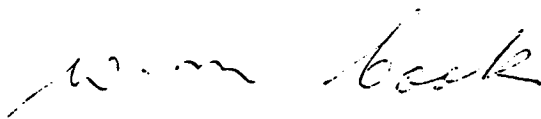
24 July 1998

The Directors
Waitomo Energy Services Limited
P O Box 281
TE KUITI 2500

**CERTIFICATION BY AUDITOR IN RELATION TO
ODV VALUATION OF WAITOMO ENERGY SERVICES LIMITED
LINES BUSINESS**

I have examined the valuation report prepared by PricewaterhouseCoopers and dated 30 May 1997, which report contains valuations as at 31 March 1997.

I hereby confirm that, having made all reasonable enquiry, to the best of my knowledge, the valuations contained in the report have been made in accordance with the 28 May 1998 ODV Handbook.



W M Cook

