



New Zealand Gazette

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KING COUNTRY ENERGY LIMITED

INFORMATION FOR DISCLOSURE

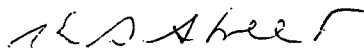
PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1994

**CERTIFICATE OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES,
AND STATISTICS DISCLOSED BY LINE OWNERS
OTHER THAN TRANSPower**

We, KENNETH STUART STREET and WILLIAM JOHN PEACH Directors of King Country Energy Limited certify that, having made all reasonable enquiry, to the best of our knowledge,-

- (a) The attached audited financial statements of King Country Energy Limited prepared for the purposes of regulation 6 of the Electricity (Information Disclosure) Regulations 1994, give a fair and true view of the matter to which they relate and comply with the requirement 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 King Country Energy 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 valuation on which those financial performance measures are based are as at 31st March 1998.



K S STREET
DIRECTOR



W J PEACH
DIRECTOR

6th August 1998

PRICEWATERHOUSECOOPERS 

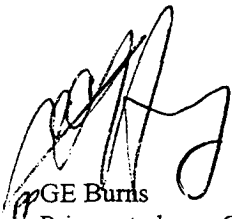
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King Country Energy Limited

Certification by auditor in relation to financial statements

We have examined the attached financial statements prepared by King Country Energy Limited and dated 31 March 1998 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.



GE Burns
PricewaterhouseCoopers
On behalf of the Controller and Auditor-General
Auckland, New Zealand

6 August 1998

This certificate is issued pursuant to Regulation 25(2) of the Electricity (Information Disclosure) Regulations 1994.


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King Country Energy Limited

Certification by Auditor in Relation to ODV Valuation

We have examined the valuation report prepared by Catherall Taylor Associates and dated 31 March 1997, which report contains an ODV valuation of the lines business of King Country Energy Limited as at 31 March 1997.

We hereby certify that, having made all reasonable enquiry, to the best of our knowledge, the ODV valuation contained in the report has been made in accordance with the Handbook for Optimised Deprivation Valuation of Electricity Line Businesses issued by the Energy & Resources Division of the Ministry of Commerce and dated 28 May 1998.



GE Burns
PricewaterhouseCoopers
On behalf of the Controller and Auditor-General
Auckland, New Zealand

6 August 1998

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY

STATEMENT OF FINANCIAL POSITION PREPARED IN ACCORDANCE WITH

THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994

AS AT 31 MARCH 1998

| | Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|----------------------------------|------|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| Shareholders Equity: | | | | | | | | |
| Share Capital | 6 | 12,426,810 | 1,495,564 | 1,664,274 | 12,426,811 | 3,159,838 | 11,963,189 | 3,036,811 |
| Reserves | 7 | 131,577 | - | 61,316 | 37,519 | 61,316 | 505,065 | 148,776 |
| Retained Earnings | 7 | <u>1,912,070</u> | <u>(1,019,815)</u> | <u>575,667</u> | <u>1,285,245</u> | <u>54,464</u> | <u>578,103</u> | <u>931,668</u> |
| Total Equity | | <u>14,470,457</u> | <u>475,749</u> | <u>2,301,257</u> | <u>13,749,575</u> | <u>3,275,618</u> | <u>13,046,357</u> | <u>4,117,255</u> |
| Represented by: | | | | | | | | |
| Current Assets: | | | | | | | | |
| Cash & Bank Balances | | 3,211,126 | 519,063 | 186,586 | 2,616,232 | 1,217,708 | 2,166,750 | 1,781,328 |
| Receivables | 8 | 586,789 | 668,310 | 707,097 | 696,283 | 793,563 | 640,969 | 789,876 |
| Inventories | 9 | 529,572 | 5,178 | - | 593,643 | 9,155 | 461,359 | 17,217 |
| Income Tax Receivable | | <u>62,922</u> | <u>(157,888)</u> | <u>432,648</u> | <u>63,828</u> | <u>(6,003)</u> | <u>50,781</u> | <u>14,323</u> |
| Total Current Assets | | <u>4,390,409</u> | <u>1,034,663</u> | <u>1,326,331</u> | <u>3,969,986</u> | <u>2,014,423</u> | <u>3,319,859</u> | <u>2,602,744</u> |
| Non Current Assets: | | | | | | | | |
| Fixed Assets | 11 | 11,026,240 | 181,450 | 22,915,093 | 10,825,373 | 1,897,791 | 10,641,806 | 1,501,931 |
| Investments | 10 | 27,030 | 6,757 | - | 36,365 | - | 85,112 | - |
| Development Assets | 12 | - | - | 268,173 | - | 133,959 | - | 857,439 |
| Future Income Tax Benefit | 4 | <u>108,607</u> | <u>16,821</u> | <u>(62,636)</u> | <u>107,302</u> | <u>17,504</u> | <u>152,397</u> | <u>26,299</u> |
| Total Non Current Assets | | <u>11,161,877</u> | <u>205,028</u> | <u>23,120,630</u> | <u>10,969,040</u> | <u>2,049,254</u> | <u>10,879,315</u> | <u>2,385,669</u> |
| Total Assets | | <u>15,552,286</u> | <u>1,239,691</u> | <u>24,446,961</u> | <u>14,939,026</u> | <u>4,063,677</u> | <u>14,199,174</u> | <u>4,988,413</u> |
| Current Liabilities: | | | | | | | | |
| Trade and Other Creditors | | (534,731) | (638,059) | (686,173) | (698,195) | (551,618) | (724,129) | (542,817) |
| Customer Credit Balances | | (54,225) | (82,618) | - | (6,545) | (187,074) | - | (256,795) |
| Provision for Holiday Pay | | (138,444) | (20,563) | (22,043) | (129,086) | (27,886) | (128,708) | (33,971) |
| Proposed Dividend | | <u>(50,000)</u> | - | - | <u>(80,000)</u> | - | <u>(62,549)</u> | <u>(17,451)</u> |
| Total Current Liabilities | | <u>(777,400)</u> | <u>(741,240)</u> | <u>(708,216)</u> | <u>(913,826)</u> | <u>(766,578)</u> | <u>(915,386)</u> | <u>(851,034)</u> |

| | | | | | | | |
|--------------------------------------|----|--------------------|------------------|---------------------|--------------------|------------------|--------------------|
| Non Current Liabilities: | | | | | | | |
| Provision for Retirement Benefits | 13 | (304,429) | (22,702) | (37,488) | (275,625) | (21,481) | (237,431) |
| Borrowings | | - | - | (21,400,000) | - | - | - |
| Total Non Current Liabilities | | <u>(304,429)</u> | <u>(22,702)</u> | <u>(21,437,488)</u> | <u>(275,625)</u> | <u>(21,481)</u> | <u>(237,431)</u> |
| Total Liabilities | | <u>(1,081,829)</u> | <u>(763,942)</u> | <u>(22,145,704)</u> | <u>(1,189,451)</u> | <u>(788,059)</u> | <u>(1,152,817)</u> |
| Net Assets | | <u>14,470,457</u> | <u>475,749</u> | <u>2,301,257</u> | <u>13,749,575</u> | <u>3,275,618</u> | <u>4,117,255</u> |

The Accompanying notes form an integral part of these Financial Statements.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY
STATEMENT OF FINANCIAL PERFORMANCE PREPARED IN ACCORDANCE WITH
THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994
FOR THE YEAR ENDED 31 MARCH 1998

| | Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|---|------|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| Revenue | 2 | 7,891,022 | 12,869,796 | 2,737,035 | 7,692,262 | 12,175,230 | 7,527,534 | 11,734,892 |
| Expenses | 3 | <u>(6,909,271)</u> | <u>(14,473,199)</u> | <u>(1,849,381)</u> | <u>(6,563,298)</u> | <u>(12,226,956)</u> | <u>(6,755,598)</u> | <u>(11,491,535)</u> |
| Operating Surplus | | 981,751 | (1,603,403) | 887,654 | 1,128,964 | (51,726) | 771,936 | 243,357 |
| Less Write Off Development Costs | | - | - | - | - | <u>(848,084)</u> | - | <u>(27,999)</u> |
| Surplus before Income Tax | | 981,751 | (1,603,403) | 887,654 | 1,128,964 | (899,810) | 771,936 | 215,358 |
| Income Tax | 4 | <u>(210,869)</u> | <u>529,124</u> | <u>(311,987)</u> | <u>(381,807)</u> | <u>22,605</u> | <u>(257,583)</u> | <u>(71,068)</u> |
| Operating Surplus / (Deficit) After Income Tax | | <u>770,882</u> | <u>(1,074,279)</u> | <u>575,667</u> | <u>747,157</u> | <u>(877,205)</u> | <u>514,353</u> | <u>144,290</u> |

The Accompanying notes form an integral part of these Financial Statements.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY**STATEMENT OF MOVEMENTS IN EQUITY PREPARED IN ACCORDANCE WITH****THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994****FOR THE YEAR ENDED 31 MARCH 1998**

| Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|---|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| Equity at Beginning of the Year | 13,749,575 | 1,550,028 | 1,725,590 | 13,046,357 | 4,117,255 | 12,738,671 | 3,981,927 |
| Transfer to Provision for Retirement Benefit (Net of related future tax benefit of \$79,689) | - | - | - | - | - | (148,896) | (12,897) |
| Surplus and Revaluation's: | | | | | | | |
| Net Surplus / (Deficit) for the Period | 770,882 | (1,074,279) | 575,667 | 747,156 | (877,205) | 514,353 | 144,290 |
| Revaluation of Assets | - | - | - | <u>36,062</u> | <u>35,568</u> | <u>20,416</u> | <u>25,748</u> |
| Total recognised revenues and expenses for the period | <u>770,882</u> | <u>(1,074,279)</u> | <u>575,667</u> | <u>783,218</u> | <u>(841,637)</u> | <u>534,769</u> | <u>170,038</u> |
| Other Movements: | | | | | | | |
| Distributions to Owners | 5 (50,000) | - | - | (80,000) | - | (78,187) | (21,813) |
| Total other movements for the period | <u>(50,000)</u> | - | - | <u>(80,000)</u> | - | <u>(78,187)</u> | <u>(21,813)</u> |
| Equity at end of the period | <u>14,470,457</u> | <u>475,749</u> | <u>2,301,257</u> | <u>13,749,575</u> | <u>3,275,618</u> | <u>13,046,357</u> | <u>4,117,255</u> |

The Accompanying notes form an integral part of these Financial Statements.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH
THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994
FOR THE YEAR ENDED 31 MARCH 1998

25 AUGUST

NEW ZEALAND GAZETTE

1. STATEMENT OF ACCOUNTING POLICIES

The reporting entity is King Country Energy and the financial statements presented here are for King Country Energy and its subsidiary KCE Mangahao Limited. The Financial Statements have been prepared in accordance with the requirements of the Companies Act 1993 and the Financial Reporting Act 1993. The Financial Statements have been prepared on the basis of historical cost with the exception of certain items for which specific accounting policies are identified.

ACCOUNTING PERIOD

These financial statements cover trading for the year to 31 March 1998.

DISTINCTION BETWEEN CAPITAL AND REVENUE EXPENDITURE

Capital Expenditure is all expenditure on the creation of a new asset and any expenditure which results in a significant improvement of the original function of an existing asset. Revenue Expenditure is expenditure which restores an asset to its original condition and all expenditure incurred in maintaining and operating the Company's business.

ELECTRICITY SALES

Electricity meters are read on the basis of constant cycles each year. Account has been taken of the unbilled sales at the end of the financial period which have been accrued.

FINANCIAL INSTRUMENTS

The Company has entered into electricity price hedging contracts with electricity generators in order to minimise the risk of price fluctuations on the electricity spot market. Assets, liabilities, and any unrealised revenues and expenses associated with these instruments as at balance date are not recognised in the financial statements. Realised revenues and expenses are recognised in the statement of financial performance on maturity of the hedging contracts and are incorporated as part of the cost of wholesale electricity.

Full disclosure of information about electricity price hedging contracts to which the Company is a party is provided in note 14.

ACCOUNTS RECEIVABLE

Accounts Receivable are stated at expected net realisable value. An estimate is made for doubtful debts based on a review of all outstanding amounts at year end. Bad debts are written off during the period in which they are identified.

CAPITAL CONTRIBUTIONS

Capital Contributions are taken to income when received.

2959

INVENTORIES

Inventories are stated at the lower of cost or net realisable value. Cost is determined at average in store prices. Allowance is made for obsolescence where necessary.

INVESTMENTS

Investments are shown at cost. Interest from investments has been accrued.

FIXED ASSETS

Fixed Assets, other than Land and Buildings, are stated at cost less accumulated depreciation. Land and Buildings are originally stated at cost and then revalued to latest Government Valuation less accumulated depreciation on buildings. As future revisions of Government Valuation are received Land and Buildings are revalued accordingly being a period not greater than three years from the previous valuation, with the exception stated in Note 11.

DEPRECIATION

Fixed Assets have been depreciated on the following basis.

| | |
|------------------------|-------------------------------|
| Distribution Equipment | 4% straight line on Cost |
| Buildings | 2% straight line on Valuation |
| Generation Plant | 4% straight line on Cost |
| Motor Vehicles | 20% DV on Cost |
| Plant and Equipment | 20% to 33% DV on Cost |

TAXATION

The Income Tax charged to the Statement of Financial Performance includes both current and deferred tax and is calculated after allowing for non-assessable income and non-deductible costs. Deferred taxation, calculated using the comprehensive liability method, is accounted for in respect of those timing differences expected to reverse in the foreseeable future. A deferred tax benefit is recognised only if there is a virtual certainty of realisation.

DEVELOPMENT ASSETS

Development Costs Capitalised are valued at the lower of cost or Directors Valuation. Where a project has not yet reached a stage which permits a reasonable assessment of the likelihood of it continuing, the value attributed to the project remains capitalised. Project values are assessed at least annually to see if any diminution in value is likely to have occurred over and above any amortisation. Development costs are then written off or transferred to fixed assets.

GOODS AND SERVICES TAX (GST)

The Statement of Financial Performance and Statement of Cash Flows have been prepared so that all components are stated exclusive of GST.

All items in the Statement of Financial Position are stated Net of GST, with the exception of Receivables and Payables which include GST invoiced.

EMPLOYEE ENTITLEMENTS

Employee entitlements to salaries and wages, non-monetary benefits, annual leave, long service leave and other benefits are recognised when they accrue to employees. This includes the estimated liability for salaries and wages, annual leave and long service leave as a result of services rendered by employees up to balance date.

CHANGES IN ACCOUNTING POLICY

All accounting policies have been applied on a basis consistent with those used by the Company in the Period to 31 March 1997.

GROUP ACCOUNTING PRINCIPLES

Subsidiaries

Subsidiaries are those entities in which the parent company holds a controlling interest in the equity. Subsidiaries are consolidated under the purchase method on a line by line basis. All inter-company transactions, balances and unrealised surpluses and deficits on transactions between group members have been eliminated.

Joint Venture

The subsidiary company's interest in the Mangahao Joint Venture has been accounted for in the balance sheet on the basis of that company's proportionate interest in each of the assets and liabilities of the joint venture, and in the profit and loss account on the basis of the company's proportionate interest in the net expenses incurred by that company in relation to the joint venture.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY**NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE WITH****THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994****FOR THE YEAR ENDED 31 MARCH 1998**

| Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|--|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| 2. REVENUE | | | | | | | |
| Sales Revenue | 7,456,716 | 12,628,964 | 2,732,162 | 6,828,647 | 11,844,997 | 6,631,790 | 11,472,244 |
| Interest Received | 215,514 | 97,329 | 4,873 | 193,133 | 158,658 | 224,566 | 126,319 |
| Capital Contributions from Customers | 196,596 | - | - | 135,147 | - | 192,124 | - |
| Other Income | <u>22,196</u> | <u>143,503</u> | - | <u>535,334</u> | <u>171,575</u> | <u>479,054</u> | <u>136,329</u> |
| | <u>7,891,022</u> | <u>12,869,796</u> | <u>2,737,035</u> | <u>7,692,261</u> | <u>12,175,230</u> | <u>7,527,534</u> | <u>11,734,892</u> |
| 3. EXPENSES | | | | | | | |
| Included in Operating Expense are the following items: | | | | | | | |
| Transpower Charges | 2,018,172 | - | - | 2,216,938 | - | 2,070,729 | - |
| Line Charges and Bulk Electricity Purchases | - | 13,840,814 | - | - | 11,187,803 | - | 10,756,284 |
| Depreciation | 898,875 | 25,737 | 404,807 | 845,660 | 95,464 | 852,486 | 82,257 |
| Bad Debts Written Off | 30,989 | 23,198 | - | 13,006 | 10,694 | 14,923 | 20,034 |
| Interest Paid | - | - | 539,992 | - | - | - | (8,800) |
| Audit Fees | 14,725 | 7,360 | 2,455 | 14,310 | 9,540 | 6,585 | 4,388 |
| Other Fees paid to Auditors | 4,325 | 2,165 | 720 | (406) | (271) | 17,355 | 11,572 |
| Directors' Fees | 66,060 | 12,388 | 5,380 | 65,200 | 16,300 | 64,000 | 16,000 |
| Loss on Sale of Fixed Assets | - | - | - | 24,253 | - | - | - |

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY**NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE****WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994****FOR THE YEAR ENDED 31 MARCH 1998**

| | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|---|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| 4. INCOME TAX | | | | | | | |
| The amount of Income Tax attributable to the financial period differs from the prima facie tax payable on the net profit before tax. The difference is reconciled as follows: | | | | | | | |
| Net Surplus before Taxation | 981,751 | (1,603,403) | 887,654 | 1,128,963 | (899,810) | 771,936 | 215,358 |
| Taxation thereon at 33% | 323,978 | (529,124) | 292,926 | 372,558 | (296,938) | 254,739 | 71,068 |
| Permanent differences | | | | | | | |
| - Write off non-deductible development costs | - | - | - | - | 279,868 | | |
| -Other | 9,298 | - | 19,061 | 9,197 | (5,535) | 2,778 | - |
| -Under / (Over) Provision in prior year | (122,407) | - | - | 52 | - | 66 | - |
| INCOME TAX ATTRIBUTABLE TO OPERATING SURPLUS | <u>210,869</u> | <u>(529,124)</u> | <u>311,987</u> | <u>381,807</u> | <u>(22,605)</u> | <u>257,583</u> | <u>71,068</u> |
| Comprising: | | | | | | | |
| -Current Tax Provision | 334,581 | (528,057) | 247,601 | 336,660 | (31,400) | 278,704 | 85,229 |
| -Deferred Income Tax Provision | (1,305) | (1,067) | 64,386 | 45,095 | 8,795 | (21,187) | (14,161) |
| -Over Provision in prior year | (122,407) | - | - | 52 | - | 66 | - |
| | <u>210,869</u> | <u>(529,124)</u> | <u>311,987</u> | <u>381,807</u> | <u>(22,605)</u> | <u>257,583</u> | <u>71,068</u> |
| FUTURE INCOME TAX BENEFIT | | | | | | | |
| Balance at beginning of year | 107,302 | 15,754 | 1,750 | 152,397 | 26,299 | 56,747 | 6,912 |
| Current year timing differences | 1,305 | 1,067 | (64,386) | (45,095) | (8,795) | 95,650 | 19,387 |
| Balance at end of year | <u>108,607</u> | <u>16,821</u> | <u>(62,636)</u> | <u>107,302</u> | <u>17,504</u> | <u>152,397</u> | <u>26,299</u> |
| IMPUTATION CREDIT MEMORANDUM ACCOUNT | | | | | | | |
| Balance at beginning of period | 636,119 | 483,354 | 53,706 | 346,495 | 568,003 | 96,521 | 498,264 |

Dividend Paid
Taxation Payments Made
Balance at end of period

| | | | | | | |
|------------------|------------------|----------------|----------------|-----------------|----------------|----------------|
| (39,403) | - | - | (39,403) | - | (30,808) | (8,595) |
| <u>528,514</u> | <u>(839,101)</u> | <u>494,762</u> | <u>329,027</u> | <u>(30,943)</u> | <u>280,782</u> | <u>78,334</u> |
| <u>1,125,230</u> | <u>(355,747)</u> | <u>548,468</u> | <u>636,119</u> | <u>537,060</u> | <u>346,495</u> | <u>568,003</u> |

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY**NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE****WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994****FOR THE YEAR ENDED 31 MARCH 1998**

| Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|--|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| 5. DIVIDENDS | | | | | | | |
| Interim Dividend | - | - | - | - | - | 15,637 | 4,363 |
| Final Dividend Proposed | <u>50,000</u> | <u>-</u> | <u>-</u> | <u>80,000</u> | <u>-</u> | <u>62,550</u> | <u>17,450</u> |
| | <u>50,000</u> | <u>-</u> | <u>-</u> | <u>80,000</u> | <u>-</u> | <u>78,187</u> | <u>21,813</u> |
| 6. SHARE CAPITAL | | | | | | | |
| 15,000,000 shares fully paid | <u>12,392,179</u> | <u>1,495,564</u> | <u>1,698,905</u> | <u>12,426,811</u> | <u>3,159,838</u> | <u>11,963,189</u> | <u>3,036,811</u> |
| 7. RESERVES | | | | | | | |
| Movements in Reserves were: | | | | | | | |
| Share Premium Reserve | | | | | | | |
| Balance at Beginning of Year | | | | 463,622 | 123,027 | 463,622 | 123,027 |
| Transfer to Share Capital in Accordance with Companies Act 1993 | <u>-</u> | <u>-</u> | <u>-</u> | <u>463,622</u> | <u>123,027</u> | <u>-</u> | <u>-</u> |
| Balance at End of the Year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>463,622</u> | <u>123,027</u> |
| Asset Revaluation Reserve | | | | | | | |
| Balance at Beginning of the Year | 37,519 | - | 61,316 | 41,443 | 25,749 | 21,028 | - |
| Transfer from Retained Earnings on disposal of Fixed Assets | <u>94,058</u> | <u>-</u> | <u>-</u> | <u>(3,924)</u> | <u>35,567</u> | <u>20,415</u> | <u>25,749</u> |
| Balance at End of the Year | <u>131,577</u> | <u>-</u> | <u>61,316</u> | <u>37,519</u> | <u>61,316</u> | <u>41,443</u> | <u>25,749</u> |
| Total Reserves | <u>131,577</u> | <u>-</u> | <u>61,316</u> | <u>37,519</u> | <u>61,316</u> | <u>505,065</u> | <u>148,776</u> |
| Retained Earnings | | | | | | | |
| Balance at Beginning of the Year | 1,285,245 | 54,464 | - | 578,103 | 931,668 | 290,832 | 822,089 |

| | | | | | | | |
|--|------------------|--------------------|----------------|------------------|---------------|----------------|----------------|
| Transfer to Provision for Retirement Gratuity and Leave | - | - | - | - | - | (148,895) | (12,898) |
| Net Surplus for the Period | 770,882 | (1,074,279) | 575,667 | 747,156 | (877,204) | 514,353 | 144,290 |
| Dividends provided | (50,000) | - | - | (80,000) | - | (78,187) | (21,813) |
| Transfer from Revaluation Reserve on disposal of fixed assets | <u>(94,057)</u> | - | - | <u>39,987</u> | - | - | - |
| Balance at End of the Year | <u>1,912,070</u> | <u>(1,019,815)</u> | <u>575,667</u> | <u>1,285,246</u> | <u>54,464</u> | <u>578,103</u> | <u>931,668</u> |

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY**NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE****WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994****FOR THE YEAR ENDED 31 MARCH 1998**

| Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|--|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| 8. RECEIVABLES | | | | | | | |
| Trade and Sundry Debtors | <u>586,789</u> | <u>668,310</u> | <u>707,097</u> | <u>696,283</u> | <u>793,563</u> | <u>640,969</u> | <u>789,876</u> |
| 9. INVENTORY | | | | | | | |
| Inventory comprises: | | | | | | | |
| Stocks of Materials for Line Construction & Maintenance | 529,572 | - | - | 593,643 | - | 461,359 | - |
| Finished goods and parts | - | <u>5,178</u> | - | - | <u>9,155</u> | - | <u>17,217</u> |
| | <u>529,572</u> | <u>5,178</u> | - | <u>593,643</u> | <u>9,155</u> | <u>461,359</u> | <u>17,217</u> |
| 10. INVESTMENTS | | | | | | | |
| Staff Housing Loans | <u>27,030</u> | <u>6,757</u> | - | <u>36,365</u> | - | <u>85,112</u> | - |

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE
WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994
FOR THE YEAR ENDED 31 MARCH 1998

| Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|--------------------------------|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| 11. FIXED ASSETS | | | | | | | |
| Distribution Equipment | | | | | | | |
| -Cost | 17,390,540 | - | - | 16,486,138 | - | 15,521,278 | - |
| -Less Accumulated Depreciation | <u>(8,199,860)</u> | - | - | <u>(7,506,762)</u> | - | <u>(6,857,781)</u> | - |
| Book Value | 9,190,680 | - | - | 8,979,376 | - | <u>8,663,497</u> | - |
| Generation Equipment | | | | | | | |
| -Cost Plant and Machinery | - | - | 21,830,250 | - | 1,778,495 | - | 1,366,306 |
| -Valuation Land and Buildings | - | - | <u>265,000</u> | - | <u>265,000</u> | - | <u>265,000</u> |
| | - | - | 22,095,250 | - | 2,043,495 | - | 1,631,306 |
| Less Accumulated Depreciation | - | - | <u>(759,665)</u> | - | <u>(379,339)</u> | - | <u>(322,197)</u> |
| Book Value | - | - | 21,335,585 | - | 1,664,156 | - | 1,309,109 |
| Land | | | | | | | |
| -Cost | 8,536 | 385 | 300,060 | 8,536 | 445 | 10,020 | 445 |
| -Valuation | <u>254,945</u> | <u>14,615</u> | <u>1,940</u> | <u>272,945</u> | <u>16,555</u> | <u>295,845</u> | <u>16,555</u> |
| -Book Value | 263,481 | 15,000 | 302,000 | 281,481 | 17,000 | 305,865 | 17,000 |
| Buildings | | | | | | | |
| -Cost | 35,063 | - | 1,224,000 | 8,409 | - | 38,833 | - |
| -Valuation | <u>701,000</u> | <u>65,000</u> | <u>10,000</u> | <u>730,000</u> | <u>75,000</u> | <u>851,371</u> | <u>74,800</u> |
| | 736,063 | 65,000 | 1,234,000 | 738,409 | 75,000 | 890,204 | 74,800 |
| -Less Accumulated Depreciation | <u>(24,685)</u> | <u>(1,536)</u> | <u>(16,415)</u> | <u>(10,214)</u> | <u>(751)</u> | <u>(68,404)</u> | <u>(3,550)</u> |
| Book Value | 711,378 | 63,464 | 1,217,585 | 728,195 | 74,249 | 821,800 | 71,250 |
| Motor Vehicles | | | | | | | |
| -Cost | 814,675 | 29,545 | 70,237 | 778,628 | 89,453 | 776,969 | 61,514 |
| -Less Accumulated Depreciation | <u>(473,542)</u> | <u>(17,438)</u> | <u>(27,277)</u> | <u>(493,879)</u> | <u>(50,997)</u> | <u>(471,957)</u> | <u>(37,855)</u> |
| -Book Value | 341,133 | 12,107 | 42,960 | 284,749 | 38,456 | 305,012 | 23,659 |

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY

NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE

WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994

FOR THE YEAR ENDED 31 MARCH 1998

| Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|---------------------------------------|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| Furniture, Plant and Equipment | | | | | | | |
| -Cost | 1,434,784 | 265,997 | 24,655 | 1,350,905 | 259,149 | 1,276,068 | 174,167 |
| -Less Accumulated Depreciation | <u>(915,216)</u> | <u>(175,118)</u> | <u>(7,692)</u> | <u>(799,333)</u> | <u>(155,219)</u> | <u>(730,436)</u> | <u>(93,254)</u> |
| -Book Value | 519,568 | 90,879 | 16,963 | <u>551,572</u> | <u>103,930</u> | <u>545,632</u> | <u>80,913</u> |
| Total Fixed Assets | <u>11,026,240</u> | <u>181,450</u> | <u>22,915,093</u> | <u>10,825,373</u> | <u>1,897,791</u> | <u>10,641,806</u> | <u>1,501,931</u> |
| Total Government Valuations | | | | | | | |
| dated 1995-1996 of | | | | | | | |
| -Land | 254,500 | 15,000 | 232,000 | 272,500 | 17,000 | 295,400 | 17,000 |
| -Buildings | 701,000 | 75,000 | - | 730,000 | 75,000 | 713,600 | 74,800 |
| -Generation | - | - | <u>12,739,000</u> | - | <u>4,243,000</u> | - | <u>4,418,000</u> |

GOVERNMENT VALUATIONS

Land and buildings at the Kuratau Power Station were valued by Valuation New Zealand as at 1 October 1992 at \$4,300,000. This was considerably higher than the previous calculation of \$332,000 as at 1 July 1989 and was due to Valuation New Zealand adopting the same method for valuation as they have used for Electricity Corporation power stations. The method has been appealed in the High Court by Electricity Corporation and King Country Energy Limited has appealed the valuation of \$4,300,000 to Valuation New Zealand.

For this reason the 1 July 1989 valuation of Kuratau Power Station has been shown in the accounts.

Valuation New Zealand have confirmed that the Government Valuation of all land and buildings except the Kuratau Power Station are appropriate for financial reporting purposes. They cannot confirm this for the Power Station until after the outcome of Appeals to the High Court.

The Directors have considered all the circumstances and have used the Valuation which they consider would be most appropriate for consistency purposes in the accounts pending resolution of the outcome of Court decisions.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY**NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE****WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994****FOR THE YEAR ENDED 31 MARCH 1998**

| Note | Lines Business 1997/1998 | Energy Business 1997/1998 | Generation Business 1997/1998 | Lines Business 1996/1997 | Energy Business 1996/1997 | Lines Business 1995/1996 | Energy Business 1995/1996 |
|--|--------------------------------|---------------------------------|-------------------------------------|--------------------------------|---------------------------------|--------------------------------|---------------------------------|
| 12. DEVELOPMENT COSTS CAPITALISED | | | | | | | |
| -Cost | - | - | 268,173 | - | 133,959 | - | 28,826 |
| -Valuation | - | - | - | - | - | - | 828,613 |
| | <u>-</u> | <u>-</u> | <u>268,173</u> | <u>-</u> | <u>133,959</u> | <u>-</u> | <u>857,439</u> |
| Opening Cost | - | - | 133,959 | - | 857,439 | - | 973,736 |
| Plus Additions | - | - | 145,988 | - | 124,604 | - | 68,307 |
| | - | - | 279,947 | - | 982,043 | - | 1,042,043 |
| Less Writeoffs | - | - | (11,774) | - | (848,084) | - | (27,999) |
| Less Transfer to Fixed Assets | - | - | - | - | - | - | (156,605) |
| Balance | <u>-</u> | <u>-</u> | <u>268,173</u> | <u>-</u> | <u>133,959</u> | <u>-</u> | <u>857,439</u> |

Development Costs relate to Kuratau Upgrade and Resource Consent Application.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE
WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994
FOR THE YEAR ENDED 31 MARCH 1998

13. BORROWINGS

The bank loans are secured over the assets of KCE Mangahao Limited and of King Country Energy Limited.

14. FINANCIAL INSTRUMENTS**Fair Values**

The carrying amounts of cash, bank balances and investments are equivalent to their fair value.

The carrying amounts of receivables and creditors are invoiced amounts taking account of any amounts considered irrecoverable and are equivalent to their fair value.

The Fair value of electricity price hedging contracts can vary day to day as the spot market price for electricity varies. Hedges and Spot Prices are based on half hour Demands and there are therefore 48 varying prices for each block hedged. It is not possible to reliably measure the fair value of the electricity price hedging contracts at Balance Date due to an insufficient Secondary Market for these contracts.

The nominal value of hedge prices contracted for at balance date for the consolidated company relating to the period from 1 April 1998 to 31 December 2012 is estimated at \$76 million (1997: \$21.5 million for the period 1 April 1997 to 30 September 2002).

Credit Risk

Financial instruments which potentially subject the Company to concentration of credit risk consist principally of cash, investments and trade receivables. The maximum credit risk as defined by FRS 31 is the book value of these financial instruments, however the Company considers the risk of non recovery of these amounts as being minimal.

The Company places its cash deposits and investments with high-credit-quality financial institutions. Concentrations of credit risk with respect to receivables are limited due to a large number of customers included in the Company's base.

The Company requires a deposit for all new customers if no credit references are received from other Energy Companies. These are refunded after two years. No other form of security or collateral is required to support financial instruments with credit risk.

Market Risk

The Company is exposed to market risk in respect of electricity purchases, this being a type of price risk as defined by FRS 31.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY
NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE
WITH THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994
FOR THE YEAR ENDED 31 MARCH 1998

King Country Energy Limited has entered into electricity hedge contracts with ECNZ, Contact N.Z. Ltd and Mangahao Joint Venture in order to minimise the risk of price fluctuations on the electricity spot market. It is the Company's current policy to hedge at least 95% of its estimated electricity purchases, however it is hedged for about 130%. It is endeavouring to sell off its surplus hedges.

Under these contracts King Country Energy Limited agrees a fixed price (hedge price) for its estimated electricity needs with ECNZ, Contact N.Z. Ltd, or Mangahao Joint Venture. On maturity of these agreements any difference between the hedge price and the spot market price is settled between the parties. Settlement occurs irrespective of the amount of electricity actually supplied. If the spot market price is greater than the hedge price, ECNZ, Contact N.Z. Ltd, and Mangahao Joint Venture must settle the difference with King Country Energy Limited. Conversely if the spot market price is less than the hedge price, King Country Energy Limited must settle the difference with ECNZ, Contact N.Z. Ltd, and Mangahao Joint Venture respectively.

15. RELATED PARTY TRANSACTIONS

The only related parties of the Company are the King Country Electric Power Trust, KCE Mangahao Limited and Mangahao Joint Venture.

All transactions with related parties are made on normal Terms and Conditions.

No related party debts were forgiven or written off during the period.

There have been no related party transactions of a material nature other than the payment of dividends to the Trust of \$80,000 and the entering into a Joint Venture Contract with Todd Mangahao Ltd and KCE Mangahao Ltd for the Mangahao Joint Venture purchase amounting to \$21,400,000 and the contingent liability noted below.

16. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

At 31 March 1998 the Company has not entered into any contracts to purchase and install Capital Equipment of a major nature.

King Country Energy Limited has guaranteed in full the borrowings of KCE Mangahao Limited amounting to \$21,400,000.

17. OPTIMISED DEPRIVAL VALUE

An Optimised Deprival Valuation (ODV) of the Network Business of the Company was carried out as at 31 March 1997, during the 1996/97 Financial Year. This valuation was carried out for information disclosure purposes under the Energy Companies Act 1992, Electricity Act 1992 and The Electricity (Information Disclosure) Regulations 1994. Under the ODV Methodology the value of the Network Assets as at 31 March 1997 was \$27.3 million. This has not yet been updated by the purchase of Distribution Assets and Depreciation for the year to the 31st March 1998.

18. NETWORK, ENERGY TRADING AND GENERATION BUSINESS VALUATIONS

At the same time as the ODV was carried out on the network assets a valuation of the Network, Energy Trading and Generation businesses was prepared. This valued the overall business at \$45 million. This value has not been taken into account in the financial records of the Company and has not at this stage been updated for the acquisition of Mangahao.

KING COUNTRY ENERGY LIMITED AND SUBSIDIARY**NOTES TO THE ANNUAL FINANCIAL STATEMENTS PREPARED IN ACCORDANCE****THE ELECTRICITY INFORMATION DISCLOSURE REGULATIONS 1994****AS AT 31 MARCH 1998****19. SUMMARY OF INTEREST IN JOINT VENTURE**

The subsidiary company is the participant in the unincorporated joint venture, Mangahao Joint Venture, for the generation of electricity at an established hydro electric power station. The subsidiary company has a 40% interest in this joint venture. The interest was acquired on the 23rd December 1997.

The Group's share of operating revenues and expenses proportionately consolidated is:

| | |
|----------|-----------|
| Revenue | \$ 159 |
| Expenses | (155,721) |

The group's share of assets and liabilities proportionately consolidated is:

| | |
|---|-------------------|
| Current assets | \$ 87,100 |
| Fixed assets | 21,401,156 |
| Current liabilities | (23,953) |
| Net assets contributed by joint venture | <u>21,464,303</u> |

20. INVESTMENT IN SUBSIDIARY

The parent company incorporated a wholly owned subsidiary company, KCE Mangahao Limited, on the 3rd December 1997.

This company commenced operations on the 23rd December 1997 when it purchased the Mangahao power station in conjunction with Todd Mangahao Limited. These two organisations have established an unincorporated joint venture in which KCE Mangahao Limited has a contributory and participating interest of 40%.

The subsidiary company has a 31st March 1998 balance date.

21. SUBSEQUENT EVENT

On the 21st May 1998 the Minister of Energy presented a Bill on planned changes to the regulation of the electricity industry. This legislation will have the lines and energy retailing businesses being conducted under separate entities with no common ownership or management. These proposals, if implemented will impact on the companies. These financial statements do not reflect any possible impacts if such legislation was to be implemented, and directors are unable to reliably quantify the impact of the possible changes.

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King Country Energy Limited

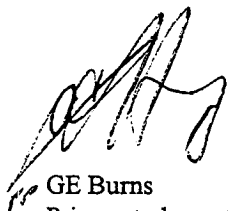
Certification of performance measures by auditors

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 King Country Energy Limited and dated 31 March 1998 for the purposes of regulation 13 of those regulations.

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



GE Burns
PricewaterhouseCoopers
On behalf of the Controller and Auditor-General
Auckland, New Zealand

6 August 1998

This certificate is issued pursuant to Regulation 25(2) of the Electricity (Information Disclosure) Regulations 1994.

KING COUNTRY ENERGY LIMITED

FINANCIAL PERFORMANCE MEASURES

As at 31 March 1998

1. (a) Accounting Return on Total Assets

Earnings before Interest and Tax, divided by Average Total Funds Employed.

| | Note | 1995 \$'000 | 1996 \$'000 | 1997 \$'000 | 1998 \$'000 |
|--|------|----------------|----------------|----------------|----------------|
| Earnings before Interest and Tax | | 523 | 1,405 | 1249 | 1647 |
| Total Funds Employed Last Year | | 28,565 | 28,193 | 27695 | 28269 |
| Total Funds Employed This Year | | <u>28,193</u> | <u>27,695</u> | <u>28269</u> | <u>28456</u> |
| Average Total Funds Employed | | <u>28,379</u> | <u>27,944</u> | <u>27982</u> | <u>28363</u> |
| Accounting Return on Total Assets | 1 | <u>1.84%</u> | <u>5.03%</u> | <u>4.46%</u> | <u>5.81%</u> |

(b) Accounting Return on Equity

Net Profit after Tax, divided by Average Total Shareholders Funds.

| | | \$'000 | \$'000 | \$'000 | \$'000 |
|------------------------------------|---|---------------|---------------|--------------|--------------|
| Net Profit after Tax | | 520 | 1,222 | 867 | 1436 |
| Shareholders' Funds Last Year | | 28,565 | 28,193 | 27695 | 28269 |
| Shareholders' Funds This Year | | <u>28,193</u> | <u>27,695</u> | <u>28269</u> | <u>28456</u> |
| Average Shareholders Funds | | <u>28,379</u> | <u>27,944</u> | <u>27982</u> | <u>28363</u> |
| Accounting Return on Equity | 1 | <u>1.83%</u> | <u>4.37%</u> | <u>3.10%</u> | <u>5.06%</u> |

(c) Accounting Rate of Profit

| | | \$'000 | \$'000 | \$'000 | \$'000 |
|---|---|---------------|--------------|--------------|---------------|
| Earnings Before Interest and Tax | | 523 | 1,405 | 1249 | 1647 |
| Less Cash Tax | | -5 | -281 | -317 | -529 |
| Less Interest Tax Shield | | 0 | 0 | 0 | 0 |
| Plus Revaluation's | | <u>-557</u> | <u>407</u> | <u>-296</u> | <u>-1,912</u> |
| | | <u>-39</u> | <u>1,531</u> | <u>636</u> | <u>-794</u> |
| Average Total Funds Employed, minus half the amount of revaluation's | | <u>28,657</u> | <u>27741</u> | <u>28130</u> | <u>29319</u> |
| Accounting Rate of Profit | 2 | <u>-0.14%</u> | <u>5.52%</u> | <u>2.26%</u> | <u>-2.71%</u> |

(d) Lines Business

| | | | | | |
|---|--|--------------|--------------|--------------|--------------|
| Fixed Assets at Optimised Deprival Value (ODV) \$m | | <u>25.30</u> | <u>25.29</u> | <u>25.34</u> | <u>25.18</u> |
| ODV Audited Valuation Report Date | | 31/03/94 | 31/03/94 | 31/03/97 | 31/03/97 |
| Network ODV at Audited Valuation Report Date \$m | | <u>22.46</u> | <u>22.46</u> | <u>23.35</u> | <u>23.35</u> |

KING COUNTRY ENERGY LIMITED
EFFICIENCY PERFORMANCE MEASURES
FOR THE YEAR ENDED 31 MARCH 1998

| | Note | 1995 | 1996 | 1997 | 1998 |
|--|------|---------------|---------------|---------------|--------------|
| Direct Expenditure \$'000 | | <u>2,595</u> | <u>2,387</u> | <u>2,552</u> | <u>2512</u> |
| System Length km | | <u>2,280</u> | <u>2,228</u> | <u>2,288</u> | <u>2346</u> |
| Direct Line Costs per Kilometre \$ | | <u>1,138</u> | <u>1,071</u> | <u>1,115</u> | <u>1,071</u> |
| (b) Indirect Line Costs per Electricity Customer | | | | | |
| Indirect Expenditure \$'000 | 3 | <u>909</u> | <u>879</u> | <u>902</u> | <u>889</u> |
| Total Customers | | <u>12,765</u> | <u>12,987</u> | <u>13,000</u> | <u>12090</u> |
| Indirect Line Costs per Customer \$ | | <u>71</u> | <u>68</u> | <u>69</u> | <u>74</u> |

PERFORMANCE MEASURES AND OTHER INFORMATION - PART III
Regulation 15

| Energy Delivery Efficiency Performance Measures and Statistics | | 1995 | 1996 | 1997 | 1998 |
|---|---|-----------------|-----------------|-----------------|-----------------|
| 1 | ENERGY DELIVERY EFFICIENCY PERFORMANCE MEASURES: | | | | |
| (a) | Load Factor - | 46 % | 44 % | 56 % | 53 % |
| (b) | Loss Ratio - | 7 % | 7 % | 8 % | 9 % |
| (c) | Capacity Utilisation - | 14 % | 16 % | 12 % | 15 % |
| 2 | STATISTICS: | | | | |
| (a) | System Length | 2,280 km | 2,288 km | 2,288 km | 2,346 km |
| | 33kV - | 209 km | 209 km | 209 km | 191 km |
| | 11kV - | 1,603 km | 1,610 km | 1,610 km | 1,675 km |
| | 230-400V - | 467 km | 469 km | 469 km | 480 km |
| (b) | Total Circuit Length - Overhead | 2,116 km | 2,123 km | 2,123 km | 2,173 km |
| | 33kV - | 209 km | 209 km | 209 km | 191 km |
| | 11kV - | 1,513 km | 1,544 km | 1,544 km | 1,607 km |
| | 230-400V - | 371 km | 370 km | 370 km | 375 km |
| (c) | Total Circuit Length - Underground | 163 km | 165 km | 165 km | 173 km |
| | 33kV - | 0 km | 0 km | 0 km | 0 km |
| | 11kV - | 68 km | 66 km | 66 km | 68 km |
| | 230-400V - | 95 km | 99 km | 99 km | 105 km |
| (d) | Transformer Capacity - | 214,690 kVA | 219,200 kVA | 219,200 kVA | 190,100 kVA |
| (e) | Maximum Demand - | 29,782 kW | 33,950 kW | 27,206 kW | 28,471 kW |
| (f) | Total Electricity Supplied - | 119,865,119 kWh | 122,163,284 kWh | 121,637,638 kWh | 120,650,282 kWh |
| (g) | Total Electricity Conveyed on Behalf of Others - | 112,384 kWh | 0 kWh | 0 kWh | 0 kWh |
| (h) | Total Number of Customers - | 12,765 | 12,987 | 13,000 | 12,090 |

PERFORMANCE MEASURES AND OTHER INFORMATION - PART IV
Regulation 16

| Reliability Performance Measures to be Disclosed by Line | 1995 | 1996 | 1997 | 1998 |
|--|------|------|------|------|
| 1 TOTAL NUMBER OF INTERRUPTIONS: | | | | |
| Class A | 1 | 0 | 2 | 1 |
| Class B | 78 | 37 | 40 | 53 |
| Class C | 350 | 511 | 450 | 164 |
| Class D | 10 | 7 | 2 | 4 |
| Class E | 0 | 0 | 0 | 0 |
| Class F | 0 | 0 | 0 | 0 |
| Class G | 0 | 0 | 0 | 0 |
| Total | 439 | 555 | 494 | 222 |
| 2 TOTAL NUMBER OF FAULTS PER 100 CIRCUIT KM | | | | |
| Total | 19 | 15 | 12 | 11 |
| 33kV | 6 | 1 | 14 | 12 |
| 11kV | 13 | 14 | 9 | 12 |
| This breakdown is an estimate | | | | |
| 3 TOTAL NUMBER OF FAULTS PER 100 CIRCUIT KM OF UNDERGROUND | | | | |
| Total | 4 | 20 | 22 | 3 |
| 33kV | 0 | 0 | 0 | 0 |
| 11kV | 4 | 20 | 9 | 3 |
| This breakdown is an estimate | | | | |
| 4 TOTAL NUMBER OF FAULTS PER 100 CIRCUIT KM OF OVERHEAD | | | | |
| Total | 16 | 19 | 14 | 12 |
| 33kV | 3 | 2 | 14 | 12 |
| 11kV | 13 | 17 | 9 | 12 |
| This breakdown is an estimate | | | | |
| 5 THE SAIDI FOR THE TOTAL NUMBER OF INERRUPTIONS | 336 | 313 | 367 | 271 |
| 6 THE SAIDI FOR THE TOTAL NUMBER OF INERRUPTIONS WITNIN EACH CLASS | | | | |
| Class A | 37 | 0 | 14 | 51 |
| Class B | 82 | 79 | 91 | 54 |
| Class C | 203 | 222 | 215 | 164 |
| Class D | 11 | 13 | 47 | 2 |
| Class E | 0 | 0 | 0 | 0 |
| Class F | 0 | 0 | 0 | 0 |
| Class G | 0 | 0 | 0 | 0 |
| 7 THE SAIFI FOR THE TOTAL NUMBER OF INTERRUPTIONS | 5.6 | 3.7 | 3.8 | 4.0 |
| 8 THE SAIFI FOR THE TOTAL NUMBER OF INTERRUPTIONS WITHIN EACH CLASS | | | | |
| Class A | 0.1 | 0.0 | 0.1 | 0.2 |
| Class B | 0.5 | 0.4 | 0.4 | 0.5 |
| Class C | 3.9 | 2.5 | 3.1 | 3.1 |
| Class D | 1.0 | 0.8 | 0.2 | 0.2 |
| Class E | 0.0 | 0.0 | 0.0 | 0.0 |
| Class F | 0.0 | 0.0 | 0.0 | 0.0 |
| Class G | 0.0 | 0.0 | 0.0 | 0.0 |
| 9 THE CAIDI FOR THE TOTAL OF ALL INTERRUPTIONS | 59 | 85 | 98 | 410 |
| 10 THE CAIDI FOR THE TOTAL OF ALL INTERRUPTIONS WITHIN EACH CLASS | | | | |
| Class A | 240 | 0 | 186 | 230 |
| Class B | 157 | 203 | 227 | 118 |
| Class C | 52 | 89 | 71 | 53 |
| Class D | 11 | 16 | 196 | 10 |
| Class E | 0 | 0 | 0 | 0 |
| Class F | 0 | 0 | 0 | 0 |
| Class G | 0 | 0 | 0 | 0 |

Note: As per Regulation 16(2)(b) Reliability Performance Measures for 1998 have been calculated excluding low voltage circuits and 11kV fuses supplying less than three customers.

