

New Zealand Gazette

OF THURSDAY, 26 AUGUST 1999

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CENTRALPOWER LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION
DISCLOSURE) REGULATIONS 1999

ARTHUR ANDERSEN

Chartered Accountants
& Business Advisors

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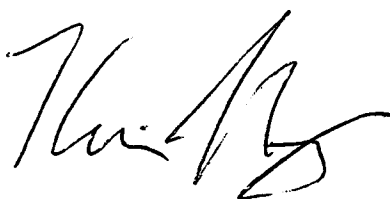
Certification of Performance Measures By Auditors

I have examined the attached information, being:

- (a) The derivation table specified in regulation 16;
- (b) Financial performance measures specified in clause 1 of Part 3 of Schedule 1 of the Electricity (Information Disclosure) Regulations 1999; and
- (c) Financial components of the efficiency performance measures specified in clause 2 of Part 3 of that schedule,

and having been prepared by Central Power Limited and dated 31 March 1999 for the purposes of regulation 15 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 1999.



KEVIN J. FOX
Partner

3 August 1999

ARTHUR ANDERSEN

Chartered Accountants
& Business Advisors

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Auditors' Report

To the readers of the financial statements of CentralPower Limited

We have audited the accompanying financial statements of CentralPower Limited ("the Company"). The financial statements provide information about the past financial performance of the Company and its financial position as at 31 March 1999. This information is stated in accordance with the accounting policies set out in Note 1 to the financial statements.

Directors' Responsibilities

The Electricity (Information Disclosure) Regulations 1999 require the Directors to prepare financial statements which give a true and fair view of the financial position of the Company as at 31 March 1999 and results of operations and cash flows for the year then ended.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the financial statements presented by the Directors and report our opinion to you.

Basis of Opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Directors in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary. We obtain sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

ARTHUR ANDERSEN

Our firm carries out other assignments for the Company in the area of taxation advice, special consultancy projects and audit of the statutory financial statements. The firm has no other interests in the Company.

Unqualified Opinion

We have obtained all the information and explanations we have required.

In our opinion:

- proper accounting records have been maintained by the Company as far as appears from our examination of those records; and
- the financial statements referred to above:
 - a) comply with generally accepted accounting practice; and
 - b) give a true and fair view of the financial position of the Company as at 31 March 1999 and the results of its operations and cash flows for the year then ended; and
 - c) comply with the Electricity (Information Disclosure) Regulations 1999.

Our audit was completed on 3 August 1999 and our unqualified opinion is expressed as at that date.



Wellington

PRICEWATERHOUSECOOPERS 

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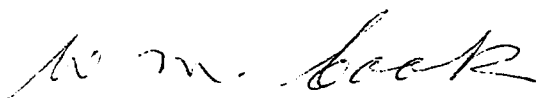
The Directors
Central Power New Zealand Limited
Private Bag 11024
PALMERSTON NORTH

09 July 1999

Subject: Certification By Auditor In Relation To ODV Valuation Of Lines Business

I have examined the valuation report prepared by PricewaterhouseCoopers and dated 19 April 1999 which report contains valuations as at 31 January 1999.

I hereby certify that, having made all reasonable enquiry, to the best of my knowledge, the valuations contained in this report have been made in accordance with the April 1999 Handbook for Optimised Deprival Valuation of System Fixed Assets of Electricity Line Businesses.



Murray Cook

Form 5

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

We, Derek Neil Walker and William Cameron McPhail, Directors of CentralPower Limited certify that, having made all reasonable enquiry, to the best of our knowledge -

- (a) The attached audited financial statements of CentralPower Limited, prepared for the purposes of regulation 6 of the Electricity (Information Disclosure) Regulations 1999 comply with the requirements of those regulations; and
- (b) The attached information, being the derivation table, financial performance measures, efficiency performance measures, energy delivery efficiency performance measures, statistics, and reliability performance measures in relation to CentralPower Limited, and having been prepared for the purposes of regulations 15, 16, 21, and 22 of the Electricity (Information Disclosure) regulations 1999, comply with the requirements of those regulations.

These valuations on which those financial performance measures are based are as at 31 January 1999.

D. N. Walker

.....
D N Walker - Managing Director

Date: *3 August 1999*

W. C. McPhail

.....
W C McPhail - Director

Date: *5th August 1999*

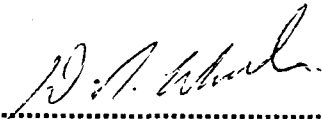
Form 7

CERTIFICATION OF VALUATION REPORT OF LINE OWNERS

We, Derek Neil Walker and William Cameron McPhail, Directors of CentralPower Limited certify that, having made all reasonable enquiry, to the best of our knowledge -

- (a) The attached valuation report of CentralPower Limited, prepared for the purposes of the Electricity (Information Disclosure) Regulations 1999, complies with the requirements of those regulations; and
- (b) The Optimised Depreciated Replacement Cost of the line business system fixed assets of CentralPower Limited is \$128,966,342; and
- (c) The Optimised Deprival Valuation of the line business system fixed assets of CentralPower Limited is \$128,966,342; and
- (d) The valuation of the line business assets of CentralPower Limited, including system and non-system fixed assets and net working capital, is \$141,929,000; and
- (e) The values in (b) and (c) have been prepared in accordance with the ODV Handbook.

These valuations are as at 31 January 1999.



.....
D N Walker - Managing Director

Date: 03 August 1999



.....
W C McPhail - Director

Date: 5th August 1999

Form 8

**STATUTORY DECLARATION IN RESPECT OF STATEMENTS AND INFORMATION
SUPPLIED TO SECRETARY**

I, Derek Neil Walker, of 41A Elmira Avenue, Palmerston North, being a Director of CentralPower Limited, solemnly and sincerely declare that having made all reasonable enquiry, to the best of my knowledge, the information attached to this declaration is a true copy of information made available to the public under the Electricity (Information Disclosure) Regulations 1999.

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



.....
D N Walker

Declared at Palmerston North this 4th day of August 1999



.....
Justice of the Peace

statement of financial performance

CentralPower Limited

<i>For the year ended 31 March 1999</i>	<i>Notes</i>	<i>1999 \$000's</i>	<i>1998 \$000's</i>
Operating Revenue		38,878	39,067
Operating Surplus Before Taxation for the Year	2	12,486	13,537
Income tax expense		3,680	3,989
Net Surplus for the Year		8,806	9,548

statement of movements in equity

<i>For the year ended 31 March 1999</i>	<i>Notes</i>	<i>1999 \$000's</i>
Equity at the Beginning of the Year		111,623
Allocation methodology under 1999 Regulations adjustment	1(j)	(7,683)
Amended equity at the beginning of the year		103,940
Net surplus		8,806
Increase/(decrease) in asset revaluation reserve		(1,570)
Total Recognised Revenues and Expenses for the Year		7,236
Distributions to owners during the year		(9,966)
Equity at End of the Year		101,210

The accompanying notes form an integral part of these financial statements.

statement of financial position

CentralPower Limited

<i>As at 31 March 1999</i>	<i>Notes</i>	<i>1999 \$000's</i>	<i>1998 \$000's</i>
Current Assets			
Cash and deposits	8	(53)	4,874
Receivables and prepayments	3	5,075	1,091
Fixed assets held for sale	6	0	567
		<u>5,022</u>	<u>6,532</u>
Non-Current Assets			
Fixed assets	6	134,204	142,714
Capital works under construction		2,549	0
Deferred tax		154	121
		<u>136,907</u>	<u>142,835</u>
Total Assets		<u>141,929</u>	<u>149,367</u>
Current Liabilities			
Unsecured loans	5	3,904	0
Payables and accruals	4	2,789	548
Provision for dividends		5,902	5,922
		<u>12,595</u>	<u>6,470</u>
Non-Current Liabilities			
Unsecured term loans	5	0	3,150
		<u>0</u>	<u>3,150</u>
Equity		101,210	111,623
Convertible notes		28,124	28,124
Total Liabilities And Equity		<u>141,929</u>	<u>149,367</u>

The accompanying notes form an integral part of these financial statements.

statement of cash flows

CentralPower Limited

<i>For the year ended 31 March 1999</i>	<i>Notes</i>	<i>1999 \$000's</i>
Cash Flows From Operating Activities		
<i>Cash was provided from:</i>		
Receipts from customers		38,839
Interest received		17
		<u>38,856</u>
<i>Cash was disbursed to:</i>		
Payments to suppliers		8,595
Payments to employees		2,250
Other expenses		6,594
Net goods & services tax		(34)
Income tax paid		4,745
Interest paid		2,564
		<u>24,714</u>
Net cash flows from operating activities	7	<u>14,142</u>
Cash Flows From Investing Activities		
<i>Cash was provided from:</i>		
Sale of fixed assets		90
		<u>90</u>
<i>Cash was applied to:</i>		
Purchase of fixed assets		7,820
		<u>7,820</u>
Net cash flows (used in) investing activities		<u>(7,730)</u>
Cash Flows From Financing Activities		
<i>Cash was provided from:</i>		
Proceeds from loans		43,695
		<u>43,695</u>
<i>Cash was applied to:</i>		
Repayment of loans		44,770
Dividends paid		10,264
		<u>55,034</u>
Net cash flows (used in) financing activities		<u>(11,339)</u>
Net increase/(decrease) in cash held		(4,927)
Add opening cash brought forward		4,874
Ending cash carried forward	8	<u>(53)</u>

The accompanying notes form an integral part of these financial statements.

notes to and forming part of the financial statements**CentralPower Limited**For the year ended 31 March 1999**1. Basis of Reporting**

The financial statements have been prepared in accordance with the requirements of the Electricity (Information Disclosure) Regulations 1999.

The measurement base adopted is that of historical cost adjusted by the revaluation of certain assets.

(a) Revenue Recognition

Line charge sales represent customer usage during the reported period. An allowance (which is not expected to vary by greater than 10% from actual billings), has been made for unbilled sales (unbilled line charges).

Contract revenue is recognised using the percentage of completion method where revenue can be reliably estimated. Where revenue is unreliable, contract revenue is recognised at completion of the contract.

(b) Fixed Assets

Land and buildings are initially recorded at cost. Land and buildings are subsequently revalued to net current value or, where the land and building are for resale, to the lower of cost and net realisable value as determined by an independent valuer.

Network assets are revalued to Optimised Deprival Value (ODV) as determined by an independent valuer.

All other fixed assets are recorded at cost.

(c) Depreciation

Depreciation is provided on a straight-line basis on all tangible fixed assets other than freehold land, at rates calculated to allocate the assets' cost or valuation, less estimated residual value, over their estimated useful lives.

Major depreciation rates are:

Network	35 to 70 years
Buildings	25 to 50 years
Plant and equipment	3 to 15 years
Motor vehicles	3 to 10 years

(d) Income Tax

The income tax expense charged to the statement of financial performance includes both the current year liability and the income tax effects of timing differences after allowing for non-assessable income and non-deductible expenses.

Deferred taxation is calculated using the liability method on a partial basis. Debit balances in the deferred tax account arising from net accumulated timing differences and future income tax benefits arising from income tax losses carried forward are only recognised if there is virtual certainty of realisation.

(e) Contributions for Subdivisions/Uneconomic Lines

Contributions received from customers and grants towards the cost of reticulating new subdivisions and constructing uneconomic lines are included in the determination of operating surplus before taxation.

(f) Accounts Receivable

Accounts receivable have been valued at estimated realisable value after making provision for doubtful debts.

(g) Comparatives

Where any information disclosures are made for the first time as a result of the change in the Regulations, no comparatives are required to be disclosed where there was no corresponding requirement in the 1994 regulations.

notes to and forming part of the financial statements**CentralPower Limited****(h) Financial Instruments**

Financial instruments recognised in the statement of financial position include deposits with banks, trade receivables, other receivables, investments and debt. These instruments are entered into in the normal course of business.

The Company does not undertake speculative trading transactions. Accordingly, financial instruments are "marked to market" for disclosure purposes but are not adjusted for in the financial statements.

(i) Changes In Accounting Policies

There have been no material changes in accounting policies during the year. All policies have been applied on a consistent basis with previous years.

(j) Disclosure of Methodologies for Allocation of Costs, Revenues, Assets and Liabilities

The Electricity (Information Disclosure) Regulations 1994 were replaced by the Electricity (Information Disclosure) Regulations 1999 as from 29 April 1999. The electricity costs, revenues, assets and liabilities of the Company have been allocated using the mandatory avoidable cost allocation methodology as prescribed by the new 1999 Regulations. Under the 1994 Regulations, cost allocation guidelines were optional, and a number of allocation methodologies were followed. The change in allocation methodology from the previous year has resulted in a decrease in the opening equity of the line business by \$7,683,008.

notes to and forming part of the financial statements

CentralPower Limited

2. Operating Surplus Before Taxation for the Year

	1999 \$000's	1998 \$000's
<i>After charging:</i>		
Depreciation system fixed assets	4,440	
Depreciation on capital works under construction	4	
Total depreciation expense	5,364	4,420
Transmission charges	10,637	
Payment by Line business to 'Other' for meter data	0	
Payment by Line business to 'Other' for load control	0	
Payment by Line business to 'Other' for Asset maintenance services	2,019	
Payment by Line business to 'Other' for disconnection/ reconnection services	0	
Avoided transmission charges on account of own generation	0	
Payment by Line business to 'Other' for goods and services	0	
Payment by Line business to non-related entity for meter data	0	
Payment by Line business to non-related entity for load control	0	
Payment by Line business to non-related entity for asset maintenance services	560	
Payment by Line business to non-related entity for disconnection/reconnection services	0	
Avoided transmission charges on account of any other cause other than own generation	0	
Employee salaries and redundancies	2,202	
Consumer billing and information system expense	429	
Corporate and administration	982	
Human resource expense	298	
Marketing/advertising	21	
Merger and acquisition expense	0	
Takeover defense expense	0	
Research and development expense	0	
Amortised goodwill	0	
Subvention payment	0	
Consultancy and legal expenses	399	
Electricity hedges	0	
Other expenditure	268	
Interest expense	2,556	
Total expenditure	30,179	
<i>After crediting</i>		
Revenue to Lines business for goods and services provided to 'Other'	0	
Revenue from lines/access charges invoiced to consumers by electricity retailers	5,611	
Revenue from lines/access charges from Line business to final consumers	30,865	
AC Rental rebate	2,047	
Income from interest on short term investments	19	601

notes to and forming part of the financial statements

CentralPower Limited

3. Receivables and Prepayments

	<i>1999</i>	<i>1998</i>
	<i>\$000's</i>	<i>\$000's</i>
Trade receivables	3,846	1,228
Non-trade receivables	1,229	(92)
Provision for doubtful debts	0	(45)
	<u>5,075</u>	<u>1,091</u>

Included in non-trade receivables are the following loans:

CentralPower Limited employees	10	0
CentralPower Employee Share Purchase Trust	(12)	0

4. Payables and Accruals

	<i>1999</i>
	<i>\$000's</i>
Trade creditors accounts payable	2,309
Employee provisions	469
Sundry creditors and accruals	11
	<u>2,789</u>

5. Unsecured Loans

	<i>1999</i>	<i>1998</i>
	<i>\$000's</i>	<i>\$000's</i>
<i>Bank Loans</i>		
Fixed-term loan with Bank of New Zealand	3,150	3,150
Short-term advances facility with The National Bank of New Zealand Limited	754	0
Schedule of maturities:		
Due within 1 year	3,904	0
Due in 1 to 2 years	0	3,150

The interest rate on the fixed-term loan with Bank of New Zealand is 8.11%.

notes to and forming part of the financial statements

CentralPower Limited

6. Fixed Assets

	<i>\$000's</i>
Freehold land	946
Freehold buildings	2,152
Network	129,269
Centralised load control equipment	241
Consumer billing and information systems	970
Motor vehicles	104
Office equipment	396
Plant	126
	<u>134,204</u>

Fixed assets are classified as follows:

	<i>1999</i> <i>\$000's</i>	<i>1998</i> <i>\$000's</i>
Current fixed assets	0	567
Non-current fixed assets	134,204	142,714
	<u>134,204</u>	<u>143,281</u>

	<i>\$000's</i>
Subtransmission assets (transfer payment)	631
Zone substations (transfer payment)	6
Distribution lines and cables (transfer payment)	155
Medium voltage switchgear (transfer payment)	0
Distribution transformers (transfer payment)	0
Distribution substations (transfer payment)	0
Low voltage lines and cables	0
Other capital works under construction	1,757
	<u>2,549</u>

Valuations

Freehold non-current land and buildings have been revalued and are stated at net current value as determined by an independent registered valuer Mr G J Blackmore (FNZIV), of the firm Blackmore and Associates Limited, as at 31 January 1999. Additions and disposals for the period 1 February 1999 to 31 March 1999 have been added to the valuation at cost. No depreciation has been calculated on the revalued network assets.

Network lines and equipment have been revalued and are stated at Optimal Depriyal Value (ODV) as determined by Worley Consultants Limited, registered valuers, and Mr W M Cook, of the firm PricewaterhouseCoopers, as at 31 January 1999. No depreciation has been calculated on the revalued network assets.

notes to and forming part of the financial statements

CentralPower Limited

7. Reconciliation of Cash Flows With Reported Net Surplus

	1999 \$000's
Net surplus	8,806
Add/(less) non-cash items:	
Adjustments to fixed assets	1,091
Depreciation	5,364
Movement in deferred tax	(33)
	6,422
Add/(less) movements in other working capital items:	
Decrease/(increase) in accounts receivable	(2,917)
Increase/(decrease) in accounts payable	1,997
(Decrease)/increase in taxation payable	(1,067)
Increase/(decrease) in net GST	244
	(1,743)
Net (gain) loss on disposal of fixed assets	657
	0
Net cash inflow from operating activities	<u>14,142</u>

8. Cash and Deposits

Cash and deposits comprise balances held with banks in New Zealand.

	1999 \$000's
<i>Cash</i>	
The National Bank of New Zealand Limited	(53)
	<u>(53)</u>

notes to and forming part of the financial statements

CentralPower Limited

9. Related Parties

During the year the Company transacted with the following related parties:

<i>Name of Related Party</i>	<i>Nature of Relationship</i>	<i>Type of Transactions</i>	<i>1999 \$000's</i>
Central Energy Limited	Subsidiary company	<ul style="list-style-type: none"> • Operating costs charged by CentralPower Limited • Generation investigation and evaluation costs charged by Central Energy Limited • Interest costs charged by CentralPower Limited • Issue of Redeemable Preference Shares to CentralPower Limited 	0 0 0 0
Energy Connections Limited	Subsidiary company	<ul style="list-style-type: none"> • Funding advance (net) • Lease/rental costs charged by CentralPower Limited • Interest costs charged by CentralPower Limited • Operating costs charged by CentralPower Limited • Network reticulation asset maintenance charged by Energy Connections Limited • Network connection disconnections charged by Energy Connections Limited • Network reticulation services charged by Energy Connections Limited • Hedging products and national marketing services provided by Energy Brokers New Zealand Limited • Electricity purchases from Energy Brokers New Zealand Limited • Dividend payments • Grants 	0 0 0 0 2,019 0 4,809 0 0 161
CentralPower Electricity Trust Palmerston North City Council	Shareholder	<ul style="list-style-type: none"> • Electricity costs charged by CentralPower Limited 	638

Related party receivables outstanding at balance date:

<i>Name of Related Party</i>	<i>Type of Transaction</i>	<i>Terms of Settlement</i>	<i>1999 \$000's</i>
CentralPower Employee Share Purchase Trust	Funding advance	Repayment on demand	(12)
			<u>(12)</u>

notes to and forming part of the financial statements

CentralPower Limited

Related party payables outstanding at balance date:

<i>Name of Related Party</i>	<i>Type of Transaction</i>	<i>Terms of Settlement</i>	<i>1999 \$000's</i>
Energy Connections Limited	Network reticulation services	Monthly terms	1,015
			<u>1,015</u>

No related party debts have been written off or forgiven during the period (1998: \$0).

10. Segmental Reporting

The Company operates predominantly in one industry: the distribution of electricity within the Manawatu/Tararua area. All operations are carried out within New Zealand.

company directory**CentralPower Limited*****Directors***

MD Kennedy

WC McPhail

RG Signal (Deputy Chairman)

RN Taylor (Chairman)

DN Walker (Managing Director)

IA Wilson

Registered Office

400 Church Street

Private Bag 11-024

Palmerston North

Telephone:

(06) 952-7550

Facsimile:

(06) 952 7567

Auditors

Arthur Andersen

Level 14

40 Mercer Street

Wellington

Bankers

The National Bank of New Zealand Limited

158 Broadway Avenue

Palmerston North

Solicitors

Fitzherbert Rowe

State Insurance Building

61 – 75 Rangitikei Street

Palmerston North

Russell McVeagh McKenzie Bartleet & Co

Mobil on the Park

157 Lambton Quay

Wellington

Share Registry

Computershare Registry Services Limited

Level 3, 277 Broadway

Newmarket

Auckland

Disclosure of financial and efficiency performance measures as required by regulations 15, 16, 21 and 22 of the Electricity (Information Disclosure) regulations 1999.

	Years ended 31 March			
	1999	1998	1997	1996
Regulation 15				
1 Financial performance measures				
(a) Accounting return on total assets	11.29%	12.90%	5.60%	6.60%
(b) Return on equity	8.71%	7.60%	4.50%	3.90%
(c) Return on Investment	6.70%	14.60%	15.80%	-6.10%
2 Efficiency performance measures				
(a) Direct line costs per kilometre	\$905	\$912	\$858	\$564
(b) Indirect line costs per electricity customer	\$67	\$75	\$175	\$344
3 (a) Load Factor				
(b) Loss Ratio	65.03%	62.40%	62.30%	63.80%
(c) Capacity Utilisation	6.24%	5.40%	6.00%	6.80%
	26.52%	30.10%	31.80%	46.10%

Regulation 20

4 The Optimised Deprival Valuation is \$129.5 million

Regulation 21

Statistics

(a) System lengths (kms)	-33kV	292	286	284	267
	- 11kV	2,635	2658	2733	2587
	- 400V	1,401	1368	1210	877
	Total	4,328	4312	4227	3731
(b) Circuit lengths (overhead) (kms)	- 33kV	271	264	260	261
	- 11kV	2,400	2400	2498	2479
	- 400V	821	821	659	618
	Total	3,492	3485	3417	3358
(c) Circuit length (underground) (kms)	- 33kV	22	23	24	7
	- 11kV	223	233	235	111
	- 400V	584	547	551	265
	Total	829	803	810	383
(d) Transformer capacity (kVA)		436,470	407,210	400,765	180,000
(e) Maximum Demand (kW)		115,754	122,572	127,410	83,052
(f) Total electricity supplied (kWh)		659,396,704	669,466,947	694,216,524	464,223,000
(g) Total electricity conveyed on behalf of other persons		135,815,666	83,040,966	125,540,210	0
(h) Total customers		48,935	49,717	50,913	32,060

Regulation 22

Reliability Performance Measures

5 (1) Total number of interruptions -

Class A	0	0	0	0
Class B	298	356	457	360
Class C	320	302	313	284
Class D	0	0	2	1
Class E	0	0	0	0
Class F	0	0	0	0
Class G	0	0	0	0
Total	618	658	772	645

		Years ended 31 March			
		1999	1998	1997	1996
(2) Interruption targets for the following year					
(a) Planned interruptions for the line owner	Class B	320			
(b) Unplanned interruption targets originating within the works of the line owner	Class C	310			
(3) Average Interruption targets for the coming year and subsequent 4 financial years					
(a) Planned interruptions for the line owner	Class B	318			
(b) Unplanned interruption targets originating within the works of the line owner	Class C	306			
(4) The proportion of the total number class C, expressed as a %,					
(a) not restored within	3 hours	16%			
(b) not restored within	24 hours	0.90%			
(5) Total number of faults per 100 circuit kilometres of prescribed voltage electric lines					
(a) The total number of faults		11.5	9.8	10.7	10
(b) The total number of faults targeted for the following financial year					
	- 33kV	6.8			
	- 11kV	10.9			
	Total	10.5			
(c) Average total number of faults for the coming year and subsequent 4 financial years					
	- 33kV	6.6			
	- 11kV	10.7			
	Total	10.3			
(6) Total number of faults per 100 circuit kilometres of underground prescribed voltage electric lines					
	- 33kV	4.76	4.4	0	0
	- 11kV	3.3	3.4	5.2	9.6
	Total	3.43	3.5	4.5	9
(7) Total number of faults per 100 circuit kilometres of overhead prescribed voltage electric lines					
	- 33kV	4.3	4.6	7.3	7.7
	- 11kV	13.8	11.7	11.7	10
	Total	12.85	11	11.3	10
(8) The SAIDI for total of interruptions		201.85	140	177	227

		Years ended 31 March			1996
		1999	1998	1997	
(9)	SAIDI targets for the following financial year				
(a)	Planned Interruption by the line owner				
	Class B	60			
(b)	Unplanned Interruption originating from the works of the line owner				
	Class C	100			
(10)	Average SAIDI Interruption targets for the following financial year and subsequent 4 financial years				
(a)	Planned Interruption by the line owner				
	Class B	58			
(b)	Unplanned Interruption originating from the works of the line owner				
	Class C	96			
(11)	The SAIDI for total of interruptions within each interruption class				
	Class A	0	0	0	0
	Class B	57.15	55	77.9	109
	Class C	144.7	84.2	95.5	117
	Class D	0	0	3.6	2
	Class E	0	0	0	0
	Class F	0	0	0	0
	Class G	0	0	0	0
(12)	The SAIFI for total of interruptions	3.47	2.6	3.5	5.4
(13)	SAIFI targets for the following financial year				
(a)	Planned Interruption by the line owner				
	Class B	0.39			
(b)	Unplanned Interruption originating from the works of the line owner				
	Class C	2.70			
(14)	Average SAIFI targets for the following financial year and subsequent 4 financial years				
(a)	Planned Interruption by the line owner				
	Class B	0.38			
(b)	Unplanned Interruption originating from the works of the line owner				
	Class C	2.69			
(15)	The SAIFI for total of interruptions within each interruption class -				
	Class A	0	0	0	0
	Class B	0.38	0.4	0.5	1
	Class C	3.09	2.2	2.7	4.4
	Class D	0	0	0.3	0
	Class E	0	0	0	0
	Class F	0	0	0	0
	Class G	0	0	0	0
(16)	The CAIDI for total interruptions	198.04	53.5	52.1	49

		Years ended 31 March			
		1999	1998	1997	1996
(17)	CAIDI targets for the following financial year				
(a)	Planned Interruption by the line owner	Class B	153		
(b)	Unplanned Interruption originating from the works of the line owner	Class C	37		
(18)	Average CAIDI targets for the following financial year and subsequent 4 financial years				
(a)	Planned Interruption by the line owner	Class B	153		
(b)	Unplanned Interruption originating from the works of the line owner	Class C	35.7		
(19)	The CAIDI for total of interruptions within each interruption class -				
	Class A	0	0	0	0
	Class B	151.21	152.7	165.2	170
	Class C	46.83	37.6	36	31
	Class D	0	0	13.2	6
	Class E	0	0	0	0
	Class F	0	0	0	0
	Class G	0	0	0	0

Derivation Table	Symbol in formula	Input Column	Calculations	ROF	ROE	ROI
Earnings before interest and tax (EBIT)	a	15,041,367		15,041,367		15,041,367
Net profit after tax (NPAT)	n	8,805,741		N/A	8,805,741	N/A
Amortised Goodwill	g	0		add	add	add
Subvention Payment	s	0		add	add	add
Depreciation of SFA at BV	d	4,443,816		add	add	add
ODV Depreciation tax adjustment	b	4,443,816		deduct	deduct	deduct
Subvention Payment tax adjustment	q	0	s*	N/A	deduct	deduct
Interest Tax Shield	r	846,789		N/A	deduct	deduct
Revaluations	p	-1,539,657		N/A	add	add
Income tax		3,680,008		N/A	add	add
Numerator (as adjusted)		No entry		15,041,367	8,805,741	8,974,913
Fixed Assets at year beginning (FA ₀)		142,828,000		142,828,000	N/A	142,828,000
Fixed Assets at year end (FA ₁)		134,204,578		add	N/A	add
Net Working Capital at year beginning (NWC ₀)		62,000		add	134,204,578	134,204,578
Net Working Capital at year end (NWC ₁)		-7,573,499		add	N/A	add
Average total funds employed (ATFE)	c	No entry	$= (FA_0 + FA_1 + NWC_0 + NWC_1)/2$	divide by 2	N/A	divide by 2
Total Equity at year beginning (TE ₀)		103,940,000		N/A	111,623,000	N/A
Total Equity at year end (TE ₁)		101,210,261		N/A	add	N/A
Average total equity	k	No entry	$= (TE_0 + TE_1)/2$	divide by 2	106,416,630	N/A
WUC at year beginning (WUC ₀)		453,000		453,000	453,000	453,000
WUC at year end (WUC ₁)		2,549,578		add	add	add
Average total Works under Construction	e	No entry	$= (WUC_0 + WUC_1)/2$	divide by 2	1,501,289	1,501,289
Revaluations	r	-1,539,657		N/A	N/A	-1,539,657
Goodwill asset at year beginning (GW ₀)		0		N/A	0	N/A
Goodwill asset at year end (GW ₁)		0		N/A	add	N/A
Average Goodwill asset	m	No entry	$= (GW_0 + GW_1)/2$	divide by 2	0	N/A
Subvention payment at year beginning (S ₀)		0		N/A	0	N/A
Subvention payment at year end (S ₁)		0		N/A	add	N/A
Subvention payment tax adjustment at year beginning		0		N/A	deduct	N/A
Subvention payment tax adjustment at year end		0		N/A	deduct	N/A
Average subvention payment & related tax adjustment	v	No entry	$= (S_0 + S_1 + s_0t + s_1t)/2$	divide by 2	0	N/A
System Fixed assets at year beginning at book value (SFA _{0,bv})		135,401,000		135,401,000	135,401,000	135,401,000
System Fixed assets at year end at book value (SFA _{1,bv})		129,506,000		add	add	add
Average value of system fixed assets at book value	f	No entry	$= (SFA_{0,bv} + SFA_{1,bv})/2$	divide by 2	132,453,500	132,453,500
System Fixed assets at year beginning at ODV value (SFA _{0,odv})		135,401,000		add	add	add
System Fixed assets at year end at ODV value (SFA _{1,odv})		129,506,000		add	add	add
Average value of system fixed assets at ODV value	h	No entry	$= (SFA_{0,odv} + SFA_{1,odv})/2$	divide by 2	132,453,500	132,453,500
Denominator (as adjusted)				133,259,250	104,915,341	134,029,079
Financial Performance Measure:				EBIT ^{ADJ} /ATFE ^{ADJ} x 100/1 = 11.29%	NPAT ^{ADJ} /ATE ^{ADJ} x 100/1 = 8.71%	EBIT ^{ADJ} /ATFE ^{ADJ} x 100/1 = 6.70%

Key:
 t = standard entity tax rate
 bv = book value
 ave = average
 ADJ = as adjusted
 odv = optimised deprival valuation
 subscript '0' = beginning of the financial year
 subscript '1' = end of the financial year

