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## TRANSALTA NEW ZEALAND LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE GAS (INFORMATION  
DISCLOSURE) REGULATIONS 1997



**TRANSALTA NEW ZEALAND LIMITED**  
**DISCLOSURE OF INFORMATION PURSUANT TO GAS (INFORMATION**  
**DISCLOSURE) REGULATIONS 1997**

**CONTENTS**

- Part One     Financial Statements for the year ended 31 March 1999**
- Part Two     Performance Measures and Statistics for the year ended 31 March 1999**
- Part Three    Certification**

*The information disclosed in the 1999 Information Disclosure package issued by TransAlta New Zealand Limited has been prepared solely for the purposes of the Gas (Information Disclosure) Regulations 1997.*

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



**PART ONE**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 1999**

**Pursuant To Regulation 6 of the  
Gas (Information Disclosure) Regulations 1997**

## TRANSALTA NEW ZEALAND LIMITED

Statement of Financial Performance  
For the Year Ended 31 March 1999

	Notes	Distribution		Retail	
		31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
<b>Revenue</b>					
Operating revenue		12,448	13,397	9,983	11,303
Other income	3	264	180	163	181
		<b>12,712</b>	<b>13,577</b>	<b>10,146</b>	<b>11,484</b>
<b>Expenses</b>					
Purchases and transmission		-	-	8,757	10,027
Operating	4	1,818	3,224	2,154	1,753
Depreciation		1,437	1,890	400	93
		<b>3,255</b>	<b>5,114</b>	<b>11,311</b>	<b>11,873</b>
<b>Operating earnings</b>		<b>9,457</b>	<b>8,463</b>	<b>(1,165)</b>	<b>(389)</b>
Less net funding costs	4	1,188	2,109	-	(16)
<b>Earnings before income tax and capital note interest</b>					
Income tax	5	8,269	6,354	(1,165)	(373)
		<b>3,204</b>	<b>2,299</b>	<b>(436)</b>	<b>(138)</b>
<b>Earnings before capital notes interest</b>					
Capital note interest distribution net of income tax		5,065	4,055	(729)	(235)
		877	877	-	-
<b>Earnings for the period</b>		<b>4,188</b>	<b>3,178</b>	<b>(729)</b>	<b>(235)</b>

*The attached notes form an integral part of, and should be read in conjunction with, these financial statements.*

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## TRANSALTA NEW ZEALAND LIMITED

Statement of Movements in Equity  
For the Year Ended 31 March 1999

	Notes	Distribution		Retail	
		31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
<b>Shareholders' funds at beginning of period</b>		<b>18,788</b>	17,542	514	442
Issuance/Reallocation of share capital		<b>(17,199)</b>	645	-	588
Increase in revaluation reserve	7	-	-	317	-
Earnings before capital note interest		<b>5,065</b>	4,055	(729)	(235)
Capital notes interest distribution net of income tax		<b>(877)</b>	(877)	-	-
Dividend paid		<b>(5,777)</b>	(2,577)	-	(281)
<b>Shareholders' funds at end of period</b>		<b>-</b>	<b>18,788</b>	<b>102</b>	<b>514</b>
<b>Capital notes at beginning of period</b>		<b>13,301</b>	13,267	-	34
(Repayment)/reallocation of capital notes		<b>(13,301)</b>	34	-	(34)
<b>Capital notes at end of period</b>		<b>-</b>	<b>13,301</b>	<b>-</b>	<b>-</b>
<b>Shareholders' funds and capital notes at end of period</b>		<b>-</b>	<b>32,089</b>	<b>102</b>	<b>514</b>

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## TRANSALTA NEW ZEALAND LIMITED

Statement of Financial Position  
As at 31 March 1999

	Notes	Distribution		Retail	
		31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
<b>Capital Funds</b>					
Share capital	6	-	17,199	631	631
Asset revaluation reserve		-	-	317	-
Retained earnings		-	1,589	(846)	(117)
Shareholders' funds		-	18,788	102	514
Capital notes	6	-	13,301	-	-
Total shareholders' funds and capital notes		-	32,089	102	514
<b>Non-current Liabilities</b>					
Bonds	15	-	25,826	-	-
<b>Current Liabilities</b>	9	-	2,727	7,085	1,478
<b>Total Capital Funds and Liabilities</b>		-	60,642	7,187	1,992
<b>Fixed and Long Term Assets</b>					
Network	10	-	54,898	-	-
Meters		-	-	4,397	-
Other		-	727	1,421	510
		-	55,625	5,818	510
<b>Deferred Taxation Asset</b>	5	-	106	64	64
<b>Current Assets</b>	8	-	4,911	1,305	1,418
<b>Total Assets</b>		-	60,642	7,187	1,992

  
Ian Bourne Director  
17 March 2000

  
Murray Nelson Director  
17 March 2000

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**TRANSALTA NEW ZEALAND LIMITED****Notes to and forming part of the Financial Statements**  
*For the Year Ended 31 March 1999***Note 1: Statement of Accounting Policies****Reporting Entity**

TransAlta New Zealand Limited is a public company registered under the Companies Act 1993 and is listed on the New Zealand Stock Exchange. The Company is an issuer for the purposes of the Financial Reporting Act 1993

The financial statements have been prepared in accordance with the methodology required by the Gas (Information Disclosure) Regulations 1997, the Companies Act 1993, the Financial Reporting Act 1993, and in accordance with generally accepted accounting practice.

The Financial Statements have been extracted from the audited Financial Statements of TransAlta New Zealand Limited parent company.

**Gas (Information Disclosure) Regulations 1997**

Where practical, all costs, revenues, assets and liabilities have been directly allocated to the appropriate Distribution or Retail businesses. Other costs, revenues, assets and liabilities are allocated using the allocation bases in accordance with the guidelines, with the exception of cash and short term investments. These have been allocated on the basis of cash required to adequately fund the business units.

**Measurement Base**

The financial statements have been prepared on an historical cost basis, modified by the revaluation of certain assets as detailed below in the specific accounting policies.

**Specific Accounting Policies****a) Income Recognition**

Gas sales represent customer usage during the financial period. Allowance is made for unbilled sales being unread meters and unbilled line charges as at balance date.

**b) Valuation of Fixed and Long Term Assets**

The fixed and long term assets of the Company, other than gas network distribution assets, are stated at cost.

Gas network distribution assets are stated at their current value. The current value approximates Optimised Deprival Value (ODV), which is the lower of a network's Optimised Depreciated Replacement Cost (ODRC) or its Economic Value (EV). The ODRC of an asset represents the cost of the most efficient asset capable of performing the same functions, depreciated for the age of the asset being valued. The EV of an asset is the greater of the net realisable value of that asset or the net present value of the future earnings from that asset.

Fixed and Long Term Assets are depreciated on a straight line basis. Depreciation is provided on all fixed assets at rates calculated to allocate the cost of acquisition, less estimated residual value, over their estimated useful lives. Fixed and long term asset depreciation periods are:

	<b>Depreciation Period</b>
Gas Distribution Assets	30-80 years
Leasehold Improvements	11 years
Motor Vehicles, Plant, Tools and Equipment	5 years
Office Equipment	5 years
Computer Equipment	3 years

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**TRANSALTA NEW ZEALAND LIMITED****Notes to and forming part of the Financial  
Statements (Continued)  
For the Year Ended 31 March 1999*****c) Accounts Receivable***

Accounts receivable are stated at their estimated net realisable value.

***d) Inventories***

Inventories are valued at the lower of cost (determined on a weighted average basis) and net realisable value. Allowance is made for damaged and obsolete inventory.

***e) Other Investments***

Marketable securities and investments held for resale are stated at market value. Other investments are stated at cost with due allowance for any permanent reduction in value.

***f) Taxation***

Income tax expense is calculated for on the comprehensive basis using the liability method. Deferred tax assets are recognised only to the extent that there is virtual certainty of recovery.

***g) Operating Lease Payments***

Operating lease payments are expensed in the period in which they are incurred.

***h) Interest Capitalised During Construction***

Interest expense related to fixed assets under construction is included in the capital cost of the related asset.

***i) Deferred Costs***

Costs incurred by the Company to develop potential investments are deferred until an investment has been completed, at which time the costs are included with the investment. When it has been determined that an investment will not proceed, the related development costs are included in operating expenses.

Financing costs are amortised to earnings over the remaining life of the relevant lending facility.

***j) Financial Instruments***

The Company has entered into various financial instruments with off-balance sheet risk for the primary purpose of managing its exposure to fluctuations in interest rates and foreign currency exchange rates. While these financial instruments are subject to risk that market rates may change subsequent to acquisition, such changes would generally be offset by opposite effects on the items being hedged. These instruments are designated as, and are considered effective as, hedges. Any realised gains and losses on interest rate hedges are recognised as a component of interest expense in the statement of financial performance over the life of the hedge. Gains and losses on foreign exchange contracts are recognised as a component of the related transaction in the period the transaction is completed.

***k) Changes in Accounting Policies***

The basis accounting for deferred income tax has changed from the partial to the comprehensive liability method. This change has an immaterial effect due to the disposal of network assets. There have been no other changes in accounting policies during the period.

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## TRANSALTA NEW ZEALAND LIMITED

Notes to and forming part of the Financial  
Statements (Continued)  
For the Year Ended 31 March 1999

## Note: 2 Continuing and Discontinuing Activities

	Distribution		Retail	
	31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
<b>Continuing Activities</b>				
Operating revenue	-	13,397	9,983	11,303
Net earnings attributable to shareholders	-	3,178	(729)	(235)
<b>Discontinuing Activities</b>				
Operating revenue	12,448	-	-	-
Net earnings attributable to shareholders	4,188	-	-	-
<b>Total Activities</b>				
Operating revenue	12,448	13,397	9,983	11,303
Net earnings attributable to shareholders	4,188	3,178	(729)	(235)

## Note: 3 Other Income

	Distribution		Retail	
	31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
Application fees	-	-	137	134
Customer contributions	157	133	-	-
Gain on sale of fixed assets	39	33	10	-
Other	68	14	16	47
<b>Total Other Income</b>	<b>264</b>	<b>180</b>	<b>163</b>	<b>181</b>

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## TRANSALTA NEW ZEALAND LIMITED

Notes to and forming part of the Financial  
Statements (Continued)  
For the Year Ended 31 March 1999

## Note: 4 Expenses

	Distribution		Retail	
	31-Mar-99	31-Mar-98	31-Mar-99	31-Mar-98
	\$000	\$000	\$000	\$000
<b>Operating Expenses</b>				
Operating	1,626	2,862	2,057	1,629
Amounts paid to auditors for audit fees	6	4	3	3
Amounts paid to auditors for other services	30	204	13	-
Bad debts	28	43	28	36
Provision for doubtful debts	5	7	5	6
Donations	16	16	7	13
Directors' fees and expenses	22	15	10	13
Rental and operating lease costs	85	73	31	53
<b>Total Operating Expenses</b>	<b>1,818</b>	<b>3,224</b>	<b>2,154</b>	<b>1,753</b>
<b>Net Funding Costs</b>				
Interest expense	1,840	2,313	-	-
Less interest income	(652)	(204)	-	(16)
<b>Total Net Funding Costs</b>	<b>1,188</b>	<b>2,109</b>	<b>-</b>	<b>(16)</b>

## Note: 5 Taxation

	Distribution		Retail	
	31-Mar-99	31-Mar-98	31-Mar-99	31-Mar-98
	\$000	\$000	\$000	\$000
<b>Current Period Tax Expense</b>				
Earnings before tax and capital notes interest	8,269	6,354	(1,165)	(373)
Prima facie taxation at 33%	2,729	2,097	(384)	(123)
Plus tax effect of permanent differences	475	202	(52)	(15)
<b>Tax expense</b>	<b>3,204</b>	<b>2,299</b>	<b>(436)</b>	<b>(138)</b>
The tax expense is represented by:				
Current tax	3,098	2,254	(436)	(135)
Deferred tax	106	45	-	(3)
	<b>3,204</b>	<b>2,299</b>	<b>(436)</b>	<b>(138)</b>
<b>Deferred Tax Reconciliation</b>				
Balance at beginning of period	106	151	64	61
Movements during the period	(106)	(45)	-	3
<b>Balance at end of period</b>	<b>-</b>	<b>106</b>	<b>64</b>	<b>64</b>

All deferred tax liabilities are provided for as a consequence of the change in accounting policy.

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## TRANSALTA NEW ZEALAND LIMITED

Notes to and forming part of the Financial  
Statements (Continued)  
For the Year Ended 31 March 1999

## Note: 6 Share Capital and Capital Notes

	Distribution		Retail	
	31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
Share capital	-	17,199	631	631
Capital notes	-	13,301	-	-

**Capital Notes**

The Capital Notes were issued under a Trust Deed between the parent company and The New Zealand Guardian Trust Company Limited as trustee. The Capital Notes are unsecured, subordinated, fixed interest securities of the parent company issued at a face value of \$1.00 (the "Principal Value"). The Notes are subject to early redemption or conversion at the option of the parent company on 1 October each year prior to 1 October 2001 (the "Maturity Date"). Noteholders may be required to convert their Capital Notes into ordinary shares of the parent company on the "Maturity Date" at a value equal to the Principal Value plus accrued and unpaid interest on the Capital Notes. For this purpose, ordinary shares will be valued at 98% of the average sell price quoted on the New Zealand Stock Exchange at the close of trading for the 10 business days prior to conversion.

Alternatively, the parent company may elect to purchase, redeem, or extend the terms of the Capital Notes on the Maturity Date. Noteholders can trade their Capital Notes on the New Zealand Stock Exchange. The interest rate on the Capital Notes is 9.84% per annum, payable semi-annually in arrears on 1 April and 1 October each year, beginning 1 April 1997.

## Note: 7 Asset Revaluation Reserve

	Distribution		Retail	
	31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
Balance at beginning of period	-	-	-	-
Revaluation of metering assets	-	-	317	-
<b>Total Current Assets</b>	-	-	317	-

## Note: 8 Current Assets

	Distribution		Retail	
	31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
Cash and short term investments	-	3,373	-	(92)
Accounts receivable	-	1,346	1,230	1,494
Inventories	-	192	75	6
Assets intended for sale <sup>1</sup>	-	-	-	10
<b>Total Current Assets</b>	-	4,911	1,305	1,418

<sup>1</sup> This amount reflects the estimated net realisable value of assets of the Company which have been identified as being surplus to its requirements.

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## TRANSALTA NEW ZEALAND LIMITED

Notes to and forming part of the Financial  
Statements (Continued)  
For the Year Ended 31 March 1999

## Note: 9 Current Liabilities

	Distribution		Retail	
	31-Mar-99 \$000	31-Mar-98 \$000	31-Mar-99 \$000	31-Mar-98 \$000
Bank overdraft	-	-	5,925	-
Creditors	-	824	1,118	1,422
Accrued interest	-	1,784	-	-
Provision for employee entitlements	-	119	42	56
<b>Total Current Liabilities</b>	-	<b>2,727</b>	<b>7,085</b>	<b>1,478</b>

## Note: 10 Fixed and Long Term Assets

Distribution	Cost /	31-Mar-99	Net Book	Cost /	31-Mar-98	Net Book
	Current	Accumulated	Value	Current	Accumulated	Value
	Value	depreciation		Value	depreciation	
	\$000	and	\$000	\$000	and	\$000
		amortisation			amortisation	
		\$000			\$000	
<b>Network assets at valuation</b>						
Gas distribution	-	-	-	54,925	1,199	53,726
Capital work in progress	-	-	-	1,172	-	1,172
	-	-	-	56,097	1,199	54,898
<b>Other assets at cost</b>						
Other fixed assets	-	-	-	1,057	330	727
	-	-	-	1,057	330	727
<b>Total Fixed and long Term Assets</b>	-	-	-	<b>57,154</b>	<b>1,529</b>	<b>55,625</b>

The last independent valuation of Network assets was completed effective 1 April 1997. Price Waterhouse certified the valuation of the gas network as appropriate for inclusion in the financial statements. All subsequent additions are at cost.

Retail	Cost /	31-Mar-99	Net Book	Cost /	31-Mar-98	Net Book
	Current	Accumulated	Value	Current	Accumulated	Value
	Value	depreciation		Value	depreciation	
	\$000	and	\$000	\$000	and	\$000
		amortisation			amortisation	
		\$000			\$000	
<b>Assets at valuation</b>						
Meters	4,572	175	4,397	-	-	-
	4,572	175	4,397	-	-	-
<b>Assets at cost</b>						
Other fixed assets	1,924	571	1,353	616	163	453
Capital work in progress	68	-	68	57	-	57
	1,992	571	1,421	673	163	510
<b>Total Fixed and long Term Assets</b>	<b>6,564</b>	<b>746</b>	<b>5,818</b>	<b>673</b>	<b>163</b>	<b>510</b>

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**TRANSALTA NEW ZEALAND LIMITED****Notes to and forming part of the Financial  
Statements (Continued)  
For the Year Ended 31 March 1999****Note: 11 Financial Instruments**

The Company has a Treasury Management Policy to manage the risk associated with treasury financial instruments that is set by the Board of directors and monitored by a committee of the Board.

**Credit Risk**

Other financial instruments that potentially subject the Company to credit risk principally consist of accounts receivable, bank balances, short-term investments and treasury derivatives.

The Company completes credit evaluations on customers where possible and requires a bond to be paid when customers cannot demonstrate an adequate credit history.

The Company monitors the credit quality of the counterparties to its off-balance sheet financial instruments and does not anticipate non-performance by the counterparties.

Short term investments are made with counter parties with a minimum credit rating of A- long term and A-2 short term from Standards & Poors (or equivalent rating) subject to certain limits set by the Treasury Management Policy. The Company also has a limit on concentration of investments with any one institution or organisation.

Maximum exposures to credit risk included in the statement of financial position are:

	<b>Distribution</b>		<b>Retail</b>	
	<b>31-Mar-99</b>	<b>31-Mar-98</b>	<b>31-Mar-99</b>	<b>31-Mar-98</b>
	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
Cash and short term investments	-	3,373	(5,925)	(92)
Accounts receivable	-	1,346	1,230	1,494

The above maximum exposures are net of any recognised provision for losses on these financial instruments. The Company is not exposed to any significant concentrations of credit risk.

**Interest Rate Risk**

The Company is exposed to interest rate risk on its short-term investments and on its borrowings.

The risk with respect to short-term investments is managed by diversification of investments and within exposure limits in accordance with the Treasury Management Policy.

The Company enters into financial instruments to manage the interest rate risk in relation to its borrowings in accordance with the Treasury Management Policy.

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## TRANSALTA NEW ZEALAND LIMITED

Notes to and forming part of the Financial  
Statements (Continued)  
For the Year Ended 31 March 1999

## Fair Values

Distribution	31-Mar-99			31-Mar-98		
	Face Value	Fair Value	Carrying Value	Face Value	Fair Value	Carrying Value
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and short term investments	-	-	-	3,390	3,381	3,373
Capital notes	-	-	-	13,301	13,719	13,301
Bonds	-	-	-	25,826	26,700	25,826
Interest rate swaps	-	-	-	18,555	(80)	(18)

## Retail

	31-Mar-99			31-Mar-98		
	Face Value	Fair Value	Carrying Value	Face Value	Fair Value	Carrying Value
	\$000	\$000	\$000	\$000	\$000	\$000
Cash and short term investments	(5,925)	(5,925)	(5,925)	(92)	(92)	(92)

The carrying value of accounts receivable and accounts payable are equal to their fair value.

## Currency Risk

The Company has no significant exposure to currency risk at 31 March 1999.

## Note: 12 Commitments

	31-Mar-99	31-Mar-98	31-Mar-99	31-Mar-98
	\$000	\$000	\$000	\$000
<b>Capital Expenditure Contracted for at Balance Date</b>	-	-	-	-
<i>Lease commitments under non-cancellable operating leases are:</i>				
Not later than one year	-	73	122	53
Later than one year and not later than two years	-	67	119	49
Later than two years and not later than five years	-	156	171	114
Later than five years	-	-	6	-
<b>Total Lease Commitments</b>	-	296	418	216

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**TRANSALTA NEW ZEALAND LIMITED****Notes to and forming part of the Financial  
Statements (Continued)***For the Year Ended 31 March 1999***Note: 13 Disposal of Network Assets**

	<b>Distribution 31-Mar-99 \$000</b>
Net assets sold	
Network assets	54,518
Other fixed assets	257
Current assets	326
Current Liabilities	(111)
Gain on sale of network	56,330
Add back Sale costs	680
<b>Cash received for assets</b>	<b>112,000</b>

The gain on sale of network has not been included in the Statement of Financial Performance, as it does not relate to the on-going nature of the distribution business.

**Note: 14 Related Party Transactions**

The Company had the following transactions with related parties during the period:

	<b>Distribution 31-Mar-99 \$000</b>	<b>Distribution 31-Mar-98 \$000</b>	<b>Retail 31-Mar-99 \$000</b>	<b>Retail 31-Mar-98 \$000</b>
<b>TEC Group</b>				
Purchase of bonds	28,482	-	-	-
Interest paid and accrued on capital notes	821	821	-	-
Management fees paid	11	37	9	31

No related party debts have been written off or forgiven during the year.

**Note: 15 Non-Current Liabilities****Bonds**

Subsequent to the sale of the electricity lines business the company redeemed all bonds on issue at 31 December 1998. A premium was also paid to compensate bondholders for the early redemption.

**Note: 16 Events After balance Date**

There were no significant events after balance date.

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**PART TWO**

**PERFORMANCE MEASURES AND STATISTICS  
FOR THE YEAR ENDED 31 MARCH 1999**

**Pursuant To Regulations 15,16, 17 and 18 of the  
Gas (Information Disclosure) Regulations 1997**



**TRANSALTA NEW ZEALAND LIMITED****Performance Measures and Statistics  
For the Year Ended 31 March 1999***Regulations 15 and 16***1. Financial Performance Measures**

	31-Mar-99	31-Mar-98	31-Mar-97
	%	%	%
Accounting Return on Total Assets	16.9	14.9	14.9
Accounting Return on Equity <sup>1</sup>	11.5	17.9	24.7
Accounting Rate of Profit <sup>2</sup>	9.9	8.4	9.8

<sup>1</sup> Debt and Capital Notes have been repaid.

<sup>2</sup> ODV was assumed to be the same as the previous year.

**2. Efficiency Performance Measures**

	31-Mar-99	31-Mar-98	31-Mar-97
	\$	\$	\$
Direct Distribution Cost per Kilometre	623.31	1,087.31	3,191.90
Indirect Distribution Costs per Gas Customer	49.41	86.93	69.35

*Regulation 17***3. Energy Delivery Efficiency Performance Measures And Statistics**

	31-Mar-99	31-Mar-98	31-Mar-97
	\$	\$	\$
Load Factor	60.1%	62.87%	60.9%
Unaccounted-for gas ratio	0.5%	2.0%	2.0%
System length (km)	960.2	928.9	906.2
Maximum monthly amount of gas entering the system (gigajoules)	275,778	314,071	340,920
Total amount of gas conveyed through the system during the year (gigajoules)	1,995,253	2,322,158	2,443,550
Total amount of gas conveyed through the system during the year for persons not in a prescribed business relationship (gigajoules)	102,942	Nil	Nil
Total number of customers	26,148	25,468	23,576

*The information disclosed in the 1998 Information Disclosure package issued by TransAlta New Zealand Limited has been prepared solely for the purposes of the Gas (Information Disclosure) Regulations 1997.*

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

**TRANSALTA NEW ZEALAND LIMITED****Performance Measures and Statistics (Continued)**  
*For the Year Ended 31 March 1999**Regulation 18***4. Reliability Performance Measures**

	<b>31-Mar-99</b>	<b>31-Mar-98</b>	<b>31-Mar-97</b>
Unplanned interruptions in transmission system	N/A	N/A	N/A
Unplanned interruptions in distribution system (other than as below)	<b>0.44</b>	0.16	Nil
Unplanned interruptions in distribution system (resulting from interruption of transmission system)	<b>Nil</b>	Nil	Nil

*The information disclosed in the 1998 Information Disclosure package issued by TransAlta New Zealand Limited has been prepared solely for the purposes of the Gas (Information Disclosure) Regulations 1997.*

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



**PART THREE**

**CERTIFICATION  
FOR THE YEAR ENDED 31 MARCH 1999**

**Pursuant To Regulations 31 and 32 of the  
Gas (Information Disclosure) Regulations 1997**



**CERTIFICATION OF FINANCIAL STATEMENT,  
PERFORMANCE MEASURES, AND STATISTICS  
DISCLOSED BY PIPELINE OWNERS**

We, Ian Alexander Bourne and Murray Alec Nelson, directors of TransAlta New Zealand Limited certify that, having made all reasonable enquiry, to the best of our knowledge:

- (c) The attached audited financial statements of TransAlta New Zealand Limited, prepared for the purposes of regulation 6 of the Gas (Information Disclosure) regulations 1997 and comply with the requirements of that regulation; and
- (d) The attached information, being financial performance measure, efficiency performance measures, energy delivery performance measure, and statistics, and reliability performance measures in relation to TransAlta New Zealand Limited, and having been prepared for the purposes of regulations 15 to 19 of the Gas (Information Disclosure) Regulations 1997, complies with the requirements of those regulations.

A handwritten signature in black ink, appearing to read "Ian Bourne".

Ian Alexander Bourne  
Director  
17 March 2000

A handwritten signature in black ink, appearing to read "Murray Nelson".

Murray Alec Nelson  
Director  
17 March 2000

**Deloitte Touche  
Tohmatsu**



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

We have examined the attached financial statements prepared by TransAlta New Zealand Limited and dated 17 March 2000 for the purposes of regulation 6 of the Gas (Information Disclosure) Regulations 1997.

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 Gas (Information Disclosure) Regulations 1997.

*Deloitte Touche Tohmatsu.*

Deloitte Touche Tohmatsu  
Chartered Accountants  
Wellington  
New Zealand

17 March 2000

**Deloitte Touche  
Tohmatsu**



**CERTIFICATION OF PERFORMANCE MEASURES BY AUDITORS**

We have examined the attached information, being

- (a) Financial performance measures specified in clause 1 of Part 2 of Schedule 1 of the Gas (Information Disclosure) Regulations 1997; and
- (b) Financial components of the efficiency performance measures specified in clause 2 of Part 2 of that Schedule, and having been prepared by TransAlta New Zealand Limited and dated 17 March 2000 for the purposes of regulations 15 and 16 of those regulations.

We certify that, having made all reasonable enquiry, to the best of our knowledge, that information has been prepared in accordance with the Gas (Information Disclosure) Regulations 1997.

*Deloitte Touche Tohmatsu*

Deloitte Touche Tohmatsu  
Chartered Accountants  
Wellington  
New Zealand

17 March 2000