SUPPLEMENT TO

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UNITEDNETWORKS LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1999 AND THE ELECTRICITY (INFORMATION DISCLOSURE) AMENDMENT REGULATIONS 2000 AND 2001

CONTENTS

FORM 8: STATUTORY DECLARATION IN RESPECT OF STATEMENTS AND INFORMATION SUPPLIED TO SECRETARY

I, Daniel Wayne Warnock, of Auckland, being a Director of UnitedNetworks 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, read with Electricity (Information Disclosure) Amendment Regulations 2000.

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

Declared at Takapuna this 16th day of August 2002.

Daniel Wayne Warnock

Solicitor KIRSTEN MARIE MURRETT

FORM 1: AUDITORS' REPORT

To the readers of the financial statements of UnitedNetworks.

We have audited the accompanying financial statements of UnitedNetworks. The financial statements provide information about the past financial performance of UnitedNetworks and its financial position as at 31 March 2002. This information is stated in accordance with the accounting policies set out in section 2.5 (1).

Directors' Responsibilities
The Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000 require the Directors to prepare financial statements which give a true and fair view of the financial position of UnitedNetworks as at 31 March 2002, 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 judgments made by the Directors in the preparation of the financial statements; and
- whether the accounting policies are appropriate to UnitedNetworks 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 obtained 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.

In addition to our capacity as auditors, our firm carries out consultancy assignments and provides taxation advice to UnitedNetworks.

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

In our opinion, proper accounting records have been kept by UnitedNetworks as far as appears from our examination of those records.

In our opinion the financial statements of UnitedNetworks in Section 2:

- comply with generally accepted accounting practice in New Zealand; and
- give a true and fair view of:
  - the financial position as at 31 March 2002; and
  - the results of its operations and cash flows for the year ended on that date; and
- comply with the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000

Our audit was completed on 16th August 2002 and our opinion is expressed as at that date.

Ernst + Young

Ernst & Young
Chartered Accountants
Auckland
New Zealand

FORM 2: AUDITORS' OPINION OF PERFORMANCE MEASURES

We have examined the attached information, being -

a) the derivation table specified in regulation 16; and

b) the annual ODV reconciliation report in regulation 16A; and

c) the time-weighted averages calculations in regulation 33 (if they apply); and

d) the financial performance measures in clause 1 of Part 3 of Schedule 1; and

e) the financial components of the efficiency performance measures in clause 2 of Part 3 of Schedule 1, -

that were prepared by UnitedNetworks Limited and dated 31st March 2002 for the purposes of regulation 15 of the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000.

In our opinion, having made all reasonable enquiry, to the best of our knowledge, that information has been prepared in accordance with the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000.

Ernst + Young

Ernst & Young
Chartered Accountants
Auckland
New Zealand

16 August 2002

FORM 5: CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES, AND STATISTICS DISCLOSED BY LINE OWNERS OTHER THAN TRANSPOWER

We, Philip Michael Smith and Daniel Wayne Warnock, directors of UnitedNetworks Limited certify that, having made all reasonable enquiry, to the best of our knowledge, -

a) The attached audited financial statements of UnitedNetworks, prepared for the purposes of regulation 6 of the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000 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 UnitedNetworks, and having been prepared for the purposes of regulations 15, 16, 21, and 22 of the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000, comply with the requirements of those regulations.

The valuations on which those financial performance measures are based are as at 31 March 2002.

Philip Michael Smith

16 August 2002

Daniel Wayne Warnock

16 August 2002

1. INTRODUCTION AND INTERPRETATION

1.1 This document contains certain material required to be disclosed by UnitedNetworks Limited under Regulations 6 to 9, 15 to 22, and 33 of the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000.

1.2 The information in this document was prepared by UnitedNetworks Limited after making all reasonable enquiry, and to the best of its knowledge the information complies with all relevant requirements of the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000.

1.3 The information in this document is not intended by UnitedNetworks Limited to constitute an offer of services to the public.

1.4 The information is available on request at:

44 Taharoto Road
Takapuna
Auckland

And on the Internet at:

http://www.unitednetworks.co.nz

1.5 In this document, words and expressions have the meaning given to them in the Regulations or the Act, unless otherwise specified.

1.6 For the purpose of this disclosure:

"UnitedNetworks" means the Lines Business of UnitedNetworks Limited.

"The company" means UnitedNetworks Limited.

"Lines Business" means the Electricity Lines Business of UnitedNetworks.

"Other Business" means any part of UnitedNetworks, which is not the Lines Business.

2. FINANCIAL STATEMENTS: Regulations 6 - 9

2.1 STATEMENT OF FINANCIAL PERFORMANCE
For the year ended 31 March 2002

	Notes	2002 ($000)	2001 ($000)
Operating revenue	2	**396,742**	389,112
Operating expenditure	3	**204,738**	218,750
Operating surplus before interest and income tax		**192,004**	170,362
Interest expense	4	**56,862**	64,200
Operating surplus before income tax		**135,142**	106,162
Income tax	5	**39,954**	26,712
Net surplus after tax		**95,188**	79,450

The accompanying notes and accounting policies form part of and are to be read in conjunction with this statement.

2.2 STATEMENT OF FINANCIAL POSITION
As at 31 March 2002

	Notes	2002 ($000)	2001 ($000)
CURRENT ASSETS			
Cash and bank balances		**284**	-
Inventories		**-**	653
Accounts receivable	8	**37,299**	37,711
Other current assets not listed above		**6,790**	6,240
Total current assets		**44,373**	44,604
FIXED ASSETS			
System fixed assets		**1,038,455**	1,037,001
Consumer billing and information system assets		**11,184**	11,041
Motor vehicles		**10**	88
Office equipment		**5,904**	6,980
Land and buildings		**3,913**	7,870
Capital works under construction		**26,739**	28,260
Inventories – critical spares		**1,141**	-
Other fixed assets not listed above		**1,128**	302
Total fixed assets	10	**1,088,474**	1,091,542
OTHER TANGIBLE ASSETS not listed above	11	**10,608**	20,622
TOTAL TANGIBLE ASSETS		**1,143,455**	1,156,768
INTANGIBLE ASSETS			
Goodwill	12	**1,469**	1,556
Other intangibles not listed above	13	**492,466**	505,846
Total intangible assets		**493,935**	507,402
TOTAL ASSETS		**1,637,390**	1,664,170
CURRENT LIABILITIES			
Bank overdraft		**1,029**	735
Payables and accruals	9	**53,697**	49,966
Provision for dividend payable	15	**27,264**	24,228
Total current liabilities		**81,990**	74,929
NON-CURRENT LIABILITIES			
Borrowings	14	**678,648**	839,299
Deferred tax	5	**46,749**	45,570
Other non-current liabilities not listed above	21	**197,470**	112,819
Total non-current liabilities		**922,867**	997,688
EQUITY			
Shareholders' equity			
Share capital	6	**116,459**	116,459
Retained earnings	7	**200,825**	157,261
Reserves	7	**315,249**	317,833
Total shareholders' equity		**632,533**	591,553
Total equity and liabilities		**1,637,390**	1,664,170

The accompanying notes and accounting policies form part of and are to be read in conjunction with this statement.

2.3 STATEMENT OF MOVEMENTS IN EQUITY
For the year ended 31 March 2002

	Notes	**2002 ($000)**	2001 ($000)
Equity at start of period		**591,553**	552,531
Net surplus for the period		**95,188**	79,450
Tax credit on supplementary dividend paid to foreign shareholders		**6,818**	6,538
Revaluation of distribution system	7	**(2,584)**	6,654
Dividends returned from ESOP		**1,390**	-
Distributions to owners during the period	15	**(53,014)**	(47,082)
Supplementary dividend paid		**(6,818)**	(6,538)
Equity at end of period		**632,533**	591,553

The accompanying notes and accounting policies form part of and are to be read in conjunction with this statement.

2.4 STATEMENT OF CASH FLOWS
For the year ended 31 March 2002

	Notes	2002 ($000)	2001 ($000)
Cash flows from operating activities			
Cash was provided from:			
Receipts from customers		**393,696**	391,359
Interest received		**922**	362
		394,618	391,721
Cash was applied to:			
Payments to suppliers & employees		**(130,107)**	(155,200)
Interest paid		**(62,925)**	(65,174)
Income taxes paid		**(20,444)**	(18,202)
		(213,476)	(238,576)
Net cash flow from operating activities	16	**181,142**	153,145
Cash flows from investing activities			
Cash was provided from:			
Proceeds from the sale of fixed assets		**1,235**	1,981
Proceeds from investments		**-**	306
		1,235	2,287
Cash was applied to:			
Purchases of fixed assets		**(50,333)**	(71,092)
		(50,333)	(71,092)
Net cash flow from investing activities		**(49,098)**	(68,805)
Cash flows from financing activities			
Cash was provided from:			
Borrowings		**913,690**	-
		913,690	-
Cash was applied to:			
Settlement of borrowings		**(990,338)**	(33,791)
Related party advances		**-**	(1,767)
Dividends paid		**(55,406)**	(46,419)
		(1,045,744)	(81,977)
Cash flow from financing activities		**(132,054)**	(81,977)
Net increase (decrease) in cash held		**(10)**	2,363
Opening cash balances		**(735)**	(3,098)
Closing cash balances		**(745)**	(735)
Represented by:			
Cash on hand at bank		**284**	-
Bank overdraft or current loan facility		**(1,029)**	(735)
Cash on hand		**(745)**	(735)

The accompanying notes and accounting policies form part of and are to be read in conjunction with this statement.

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS For the year ended 31 March 2002

These notes refer to the numbered notes to the statements in Sections 2.1 to 2.4 and are to be read in conjunction with the statements.

SIGNIFICANT EVENT RELEVANT TO THESE FINANCIAL STATEMENTS

On 12 June 2002 UnitedNetworks Limited announced that, following an approach made to it by its principal shareholder, UtiliCorp N.Z. Limited (whose ultimate parent company is Aquila, Inc.), the company is considering a possible sale of its entire operation by way of share or asset sale. The process is expected to be completed early September.

As the final method of the sale has yet to be determined, the directors have presented the financial statements on the basis that the company will continue its existing business. The accounting basis and policies, including the going concern assumption, have therefore been adopted on a consistent basis to the previous year. This assumption has particular relevance to the continued treatment of borrowings as long-term debt and treating financial instruments as hedges.

As a result of the potential sale the company had not yet entered into a subvention and loss-offset agreement with Utilicorp N.Z. Limited for the 1st quarter of the 2002 financial year. This has had the net effect of increasing the tax charge for the year by approximately $1.0 million.

1 STATEMENT OF ACCOUNTING POLICIES

Special purpose financial statements

These financial statements are made pursuant to UnitedNetworks' obligations under the Electricity (Information Disclosure) Regulations 1999, read with Electricity (Information Disclosure) Amendment Regulations 2000. They are in addition to UnitedNetworks' financial statements published pursuant to UnitedNetworks' obligations under the Companies Act 1993 and the Financial Reporting Act 1993.

The Lines Business is treated as the core business and corporate activities are accounted for through the Line and Other Business financial statements. UnitedNetworks has adopted the avoidable cost allocation methodology stipulated in the Electricity Information Disclosure Handbook issued on 30th June 2000.

General accounting policies

The general accounting principles as recommended by the Institute of Chartered Accountants of New Zealand for the measurement and reporting of financial performance, financial position, movements in equity and cash flows under the historical cost method have been followed by the company with the exception of System Fixed Assets, which have been revalued to their Optimised Deprival Value (ODV) in accordance with the treatment outlined in the Electricity Information Disclosure Handbook. This is more fully explained within the particular accounting policy for Fixed Assets.

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

Income tax

These financial statements adopt the liability method of accounting for deferred taxation. The taxation charge against the surplus for the period is the estimated liability in respect of that surplus after allowance for all the permanent differences.

Future taxation benefits attributable to timing differences or losses carried forward are recognised in the financial statements at recoverable value only where there is virtual certainty that the benefit of the timing differences will be realised or any losses utilised.

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

Fixed assets
All fixed assets are initially recorded at cost. The cost of assets constructed by UnitedNetworks includes the cost of all material used in construction, direct labour on the project and financing costs that are directly attributable to the project. Costs cease to be capitalised as soon as the asset is ready for use.

The System Fixed Assets have been revalued as at 31 March 2001. The methodology adopts a three-step process. Firstly, an asset based valuation – the Optimised Depreciated Replacement Cost (ODRC) value is determined. Secondly, the Economic Value (EV) is established through a process of sustainability checking. Finally, the Optimised Deprival Value (ODV) – is determined as the minimum of the ODRC and the EV. The company engaged independent valuers to undertake the ODV valuation, which appears in the statement of financial position and the notes thereto.

Financial instruments
The company has financial instruments with off-balance sheet risk for the primary purpose of reducing its exposure to fluctuations in interest rates and foreign exchange rates.

Financial instruments entered into as hedges of an underlying exposure are accounted for on the same basis as the underlying exposure. Accordingly, hedge gains and losses are included in the Statement of Financial Performance when the gains or losses arising on the related physical exposures are recognised in the Statement of Financial Performance.

Foreign Currencies
Transactions in foreign currencies are translated at the New Zealand rate of exchange ruling at the date of transaction. At balance date foreign monetary assets and liabilities are translated at the closing rate, and exchange variations arising from these translations are included in the Statement of Financial Performance as operating items.

Operating leases
Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.

Finance leases
Finance leases, which effectively transfer to the lessee substantially all of the risks and benefits incident to ownership of the leased item, are capitalised at the present value of the minimum lease payments. Income for assets leased out under finance lease arrangements is recognised on the basis of the net investment outstanding as at balance date.

Depreciation
Depreciation of fixed assets, other than freehold land, has been charged at rates calculated to allocate on a straight-line basis the assets' cost or valuation, less estimated residual value, over their estimated useful lives as follows:

(i)	Freehold buildings	50 – 100 years
(ii)	Reticulation system	15 – 70 years
(iii)	Plant, vehicles and equipment	2 – 10 years

Goodwill
Goodwill on acquisition of businesses is amortised on a straight line basis over the period of expected benefit or 20 years, whichever is the lesser.

Identifiable intangibles
Identifiable intangibles arising from acquisition of reticulation assets is amortised on a straight line basis over the period of expected benefit, which has been assessed as 40 years.

Accounts receivable
Accounts receivable are stated at their estimated net realisable value.

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

Inventory
Inventory is stated at the lower of cost and net realisable value. In arriving at net realisable value an allowance is made for deterioration and obsolescence.

Revenue recognition
Income from line charges includes an estimated amount for accrued sales for charges not billed at balance date.

Distributions from UnitedNetworks Shareholders Society Inc (UNSS)
As with 2001, the distributions received from UNSS are treated as a distribution from a trust, being a return of dividends previously paid to the trust, of which the company is the beneficiary. Under the avoidable cost allocation methodology these distributions have been identified as dividends and allocated to the Other Business.

Statement of cash flows
The following are the definitions of the terms used in the statement of cash flows:
- Operating activities include all transactions and other events that are not investing or financing activities.
- Investing activities are those activities relating to the acquisition, holding and disposal of property, plant and equipment and investments that can include securities not falling within the definition of cash.
- Financing activities are those that result in changes in the size and composition of the capital structure. This includes both equity and debt not falling within the definition of cash. Dividends paid in relation to the capital structure are included in financing activations.
- Cash is considered to be cash on hand and current accounts in banks, net of bank overdrafts.

Changes in accounting policies
There were no changes in accounting policies during the period.

		2002 ($000)	2001 ($000)
2	**OPERATING REVENUE**		
	Revenue from line/access charges	**363,833**	360,588
	Interest on cash, bank balances, and short-term investments	**922**	362
	AC loss-rental rebates	**20,787**	15,892
	Other operating revenue not listed above	**11,200**	12,270
	Total operating revenue	**396,742**	389,112

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

		2002 ($000)	2001 ($000)
3	**OPERATING EXPENDITURE**		
	Payment for transmission charges	**85,195**	98,847
	Transfer payments to the "other" business for:		
	Asset maintenance	**6,329**	24,934
	Consumer disconnection/reconnection services	**-**	-
	Meter data	**-**	-
	Consumer-based load control services	**-**	-
	Royalty and patent expenses	**-**	-
	Avoided transmission charges on account of own generation	**-**	-
	Other goods and services not listed above	**-**	12
	Total transfer payment to the "other" business	**6,329**	24,946
	Expense to entities that are not related parties for:		
	Asset maintenance	**20,448**	6,084
	Consumer disconnection/reconnection services	**-**	-
	Meter data	**-**	-
	Consumer-based load control services	**-**	-
	Royalty and patent expenses	**-**	-
	Total of specified expenses to non-related parties	**20,448**	6,084
	Employee salaries, wages, and redundancies	**15,075**	15,134
	Consumer billing and information system expense	**142**	129
	Depreciation on:		
	System fixed assets	**39,705**	37,658
	Other assets not above	**5,355**	5,239
	Total depreciation	**45,060**	42,897
	Amortisation of:		
	Goodwill	**87**	87
	Other intangibles	**13,381**	13,389
	Total amortisation of intangibles	**13,468**	13,476
	Corporate and administration	**8,365**	6,597
	Human resource expenses	**2,060**	420
	Marketing/advertising	**1,044**	922
	Merger and acquisition expenses	**-**	(152)
	Takeover defence expenses	**-**	-
	Research and development expenses	**64**	117
	Consultancy and legal expenses	**3,795**	3,430
	Donations	**17**	(3)
	Directors' fees	**295**	188
	Auditors' fees:		
	Audit fees paid to principal auditors	**123**	197
	Audit fees paid to other auditors	**-**	-
	Fees paid for other services provided by principal and other auditors	**78**	248
	Total auditors' fees	**201**	445
	Cost of offering credit:		
	Bad debts written off	**296**	61
	Increase in estimated doubtful debts	**(238)**	20
	Total cost of offering credit	**58**	81
	Local authority rates expense	**663**	462
	AC loss-rental rebates (distribution to retailers/customers)	**-**	-
	Rebates to consumers due to ownership interest	**-**	-
	Subvention payments	**2,389**	4,706
	Unusual expenses	**-**	-
	Other expenditure not listed above	**70**	24
	Total operating expenditure	**204,738**	218,750

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

		2002 ($000)	2001 ($000)
4	**Operating surplus before interest and income tax**	**192,004**	170,362
	INTEREST EXPENSE		
	Interest expense on borrowings	**56,862**	64,200
	Financing charges related to finance leases	-	-
	Other interest expense not listed above	-	-
	Total interest expense	**56,862**	64,200
	Operating surplus before income tax	**135,142**	106,162
	Income tax	**39,954**	26,712
	Net surplus after tax	**95,188**	79,450
5	**TAXATION**		
	Surplus from operations before taxation	**135,142**	106,163
	Taxation at 33%	**44,597**	35,034
	Permanent differences	**751**	2,032
	Net benefit of tax losses transferred from group companies	**(5,394)**	(10,354)
	Taxation charge	**39,954**	26,712
	The taxation charge is represented by		
	Current taxation	**26,796**	9,367
	Deferred taxation	**13,158**	17,345
		39,954	26,712
	Non-current taxation assets		
	Prepaid tax	**41,156**	**33,293**
	Provision for Tax	**(43,501)**	**(14,180)**
	Deferred tax asset	**46,749**	**45,570**
		44,404	**64,683**
	Deferred taxation reconciliation		
	Opening balance	**45,570**	28,225
	Adjustment to opening balance	**(11,979)**	-
	Current period tax charge movement	**13,158**	17,345
	Closing balance	**46,749**	45,570
	Imputation credit account		
	Opening balance	-	-
	Imputation credits attached to dividends received	**3,360**	2,383
	Taxation paid – current period	**15,188**	20,032
	Imputation credits attached to dividends paid	**(18,548)**	(22,415)
	Imputation credits available to shareholders	-	-

In respect of the valuation, there is a deferred tax liability for tax depreciation recovered amounting to approximately $93 million (2001: $44.4 million), which would crystallise if all the revalued assets were disposed of for their carrying value. This liability has not been recognised in the financial statements.

The amount charged by the holding company for gross tax losses of $18.75 million (2001: $31.4 million) purchased during the year is $2.4 million (2001: $4.7 million).

The subsequent realisation of the future income tax benefit is subject to the necessary shareholder continuity and other requirements of income tax legislation being met.

		2002 ($000)	2001 ($000)
6	**SHARE CAPITAL**		
	151,469,342 (2001: 151,469,342) Ordinary shares fully paid	**116,459**	116,459

Each ordinary share entitles the holder to vote at any general meeting of the company and to participate in the share of any surplus upon winding up.

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

		2002 ($000)	2001 ($000)
7	**RESERVES**		
	Revaluation reserve		
	Opening balance	**317,833**	324,161
	Transfer arising from disposal of fixed assets	**-**	-
	Revaluation in respect of provision for obsolescence	**(2,584)**	(1,803)
	Revaluation to ODV	**-**	8,457
	Transfer to retained earnings	**-**	(12,982)
	Closing balance	**315,249**	317,833
	Retained earnings		
	Opening balance	**157,261**	111,911
	Dividend received from employee share ownership plan	**1,390**	-
	Transfer from revaluation reserve	**-**	12,982
	Dividends	**(53,014)**	(47,082)
	Transferred from statement of financial performance	**95,188**	79,450
	Closing balance	**200,825**	157,261
	Total reserves	**516,074**	475,094
8	**ACCOUNTS RECEIVABLE**		
	Trade receivables	**35,034**	34,796
	Other receivables and prepayments	**2,265**	2,915
		37,299	37,711
9	**ACCOUNTS PAYABLE**		
	Trade and other creditors	**44,997**	43,230
	Employee entitlements	**496**	208
	Expenditure provision	**988**	-
	Interest payable	**7,216**	6,528
		53,697	49,966

		At cost ($000)	At valuation ($000)	Accum deprn ($000)	Net carrying value ($000)
10	**FIXED ASSETS**				
	2002				
	Freehold land	**119**	**-**	**-**	**119**
	Freehold buildings	**5,554**	**-**	**1,760**	**3,794**
	Distribution system	**41,921**	**1,034,417**	**37,883**	**1,038,455**
	Plant, vehicles and equipment	**35,639**	**-**	**17,413**	**18,226**
	Capital work in progress	**26,739**	**-**	**-**	**26,739**
	Inventories – critical spares	**1,141**	**-**	**-**	**1,141**
		111,113	**1,034,417**	**57,056**	**1,088,474**
	2001				
	Freehold land	119	-	-	119
	Freehold buildings	9,598	-	1,847	7,751
	Distribution system	-	1,037,001	-	1,037,001
	Plant, vehicles and equipment	43,498	-	25,087	18,411
	Capital work in progress	28,260	-	-	28,260
		81,475	1,037,001	26,934	1,091,542

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

	2002 ($000)	2001 ($000)
11 OTHER TANGIBLE ASSETS		
Term prepayments	**6,761**	-
Taxation receivable	**2,345**	19,116
Lease	**1,502**	1,506
	10,608	20,622
Leases comprise		
Gross amount	**4,550**	4,733
Unearned interest	**3,034**	3,159
Net amount	**1,516**	1,574
Long term	**1,502**	1,506
Current	**14**	68
Interest rate	***8.00%***	*8.00%*
Term	***40 years***	*40 years*

Relating to floodlighting and high tension reticulation systems and other electrical works at the North Harbour Stadium

12 GOODWILL		
Opening balance	**1,556**	1,643
Amortised during the period	**(87)**	(87)
Closing balance	**1,469**	1,556
13 IDENTIFIABLE INTANGIBLES		
Opening balance	**505,846**	518,784
Adjustment to opening balance	**-**	451
Amortised during the period	**(13,380)**	(13,389)
Closing balance	**492,466**	505,846

14 BORROWINGS

The company had borrowings which support the requirements of the group and are not specific to a business line. The following profile is indicative of borrowings applicable to the electricity business.

Borrowings are made up as follows:

As at 31 March 2002

	Weighted avg interest rate	Total	Payable within 1 year	Payable between 1 and 2 years	Payable between 2 and 5 years	Payable after 5 years
		($000)	($000)	($000)	($000)	($000)
Bank loans	5.86%	74,025	10,966	63,059	-	-
Commercial paper	5.07%	183,692	-	183,692	-	-
Medium term notes - fixed rate NZ$	6.50%	108,918	-	-	-	108,918
Medium term notes - floating rate A$	4.75%	312,013	-	-	-	312,013
	5.24%	678,648	10,966	246,751	-	420,931

As at 31 March 2001

	Weighted avg interest rate	Total	Payable within 1 year	Payable between 1 and 2 years	Payable between 2 and 5 years	Payable after 5 years
		($000)	($000)	($000)	($000)	($000)
Bank loans	7.06%	719,800	588,122	131,678	-	-
Commercial paper	6.54%	119,499	-	119,499	-	-
Medium term notes - fixed rate NZ$	-	-	-	-	-	-
Medium term notes - floating rate A$	-	-	-	-	-	-
	6.98%	839,299	588,122	251,177	-	-

All borrowings are unsecured with all bank loans and Medium Term Notes being subject to negative pledge arrangements.
Commercial paper is supported by a 2 year standby facility made available by a syndicate of banks and issued for various terms up to 90 days.
Interest rates for all bank loans are floating based on the bank bill rate plus a margin.
Medium term notes – fixed rate NZ$ mature April 2007 and are shown at the value of proceeds received after deducting the discount on issue ($1.7 million) and adjusted for the amount amortised ($0.3 million).
Medium term notes – floating rate A$ mature April 2008 and April 2011.
Borrowings are classified between current and non-current dependent on the directors expectation of repayment dates.

		2002	2001
		($000)	($000)
15	**DIVIDEND**		
	Dividend paid	**25,750**	22,854
	Dividend declared	**27,264**	24,228
		53,014	47,082

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

16 RECONCILIATION OF OPERATING SURPLUS AFTER TAXATION TO NET CASH INFLOW FROM OPERATING ACTIVITIES

Reported surplus after taxation	**95,188**	79,450
Add non-cash items:		
Depreciation	**45,060**	42,897
Amortisation of goodwill and intangibles	**13,468**	13,476
Increase (decrease) in deferred tax payable	**39,954**	17,345
Decrease (increase) in tax refund due	**(22,004)**	(10,666)
Add (less) movements in working capital items:		
Decrease (increase) in accounts receivable and other debtors	**447**	2,774
Decrease (increase) in current portion of lease	**55**	(13)
Decrease (increase) in inventory	**653**	(16)
Increase (decrease) in accounts and sundry payables	**3,731**	1,430
Add (less) items classified as investing activities:		
Loss (profit) on sale of assets	**36**	(70)
Movements in accounts payable that relate to fixed assets	**4,486**	
Supplementary dividend paid	**6,818**	6,538
Add (less) other items:		
Movements in term prepayment that relate to deferred financing Costs	**(6,750)**	-
Net cash flow from operating activities	**181,142**	153,145

17 FINANCIAL INSTRUMENTS

The company has a comprehensive treasury policy to manage the risks of financial instruments which is approved by the board of directors.

Interest rate risk

The company has long term borrowings which are used to fund ongoing activities. The company actively manages interest rate exposures in accordance with treasury policy. In this respect, at least 60% of all term debt must be at fixed interest rates or effectively fixed using interest rate swaps, forward rate agreements, options and similar derivative instruments. The following profile is indicative of borrowings applicable to the electricity business.

The weighted average rates of borrowings are as follows:

	2002		2001	
	Weighted avg interest rate	**Face value ($000s)**	Weighted avg interest rate	Face value ($000s)
Bank loans	**5.86%**	**74,025**	7.06%	719,800
Commercial paper	**5.07%**	**183,692**	6.54%	119,499
Medium term notes – fixed rate NZ$	**6.50%**	**108,918**	-	-
Medium term notes – floating rate A$	**4.75%**	**312,013**	-	-
	5.24%	**678,648**	6.98%	839,299

The weighted average rates of interest rate swaps are as follows:

	2002		2001	
	Weighted avg interest rate	**Face value ($000s)**	Weighted avg interest rate	Face value ($000s)
Interest rate swaps				
Maturing in less than 1 year	**5.95%**	**127,488**	6.34%	67,863
Maturing between 1 and 2 years	**6.66%**	**50,036**	6.07%	105,225
Maturing between 2 and 5 years	**7.16%**	**216,592**	6.99%	220,363
Maturing after 5 years	**7.07%**	**116,521**	7.14%	213,500
	6.79%	**510,637**	6.81%	606,951
Cross currency swaps		**312,013**		-

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

FINANCIAL INSTRUMENTS (continued)

Foreign exchange risk

The company has, in this reporting period, conducted transactions in foreign currencies for the purposes of protecting the New Zealand dollar value of capital expenditure and for the issuance of Australian Bonds which have been hedged with cross currency swaps.

At balance date the company has no significant exposure to foreign currency risk.

Credit Risk

In the normal course of its business, the company incurs credit risk from energy retailers, financial institutions and trade debtors. The company has a credit policy which is used to manage this exposure to credit risk.

As part of this policy, the company can only have exposures to financial institutions having at least a credit rating of A- long term and A1 short term from Standard & Poors (or equivalent rating). In addition, limits on exposures to financial institutions have been set by the board of directors and are monitored on a regular basis. In this respect, the company minimises its credit risk by spreading such exposures across a range of institutions. The company does not anticipate non-performance by any of these financial institutions.

The company has a concentration of credit exposures to a few large energy retailers. To minimise this risk, the company performs credit evaluations on all energy retailers and other electricity customers and requires a bond or other form of security where deemed necessary.

The maximum exposure to credit risk is represented by the carrying value of each financial asset in the statement of financial position.

Fair values

The estimated fair value of financial instruments at balance date is:

	2002		2001	
	Carrying amount ($000)	**Fair value ($000)**	Carrying amount ($000)	Fair value ($000)
Cash and bank overdraft	**(745)**	**(745)**	(735)	(735)
Bank loans	**74,025**	**74,025**	719,800	719,800
Commercial paper	**183,262**	**183,692**	119,499	119,487
Medium term notes – fixed rate NZ$	**108,918**	**106,261**	-	-
Medium term notes – floating rate A$	**312,013**	**308,007**	-	-
Interest rate swaps	**-**	**(1,703)**	-	(22,493)
Cross currency swaps	**-**	**(1,971)**	-	-

The following methods and assumptions were used to estimate the fair value of each class of financial instrument where it is practical to estimate that value:

Cash and short term deposits, short term loans

The carrying amount of these items is equivalent to the fair value. Bank overdrafts are set off against cash balances pursuant to right of set off.

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

FINANCIAL INSTRUMENTS (continued)

Commercial paper
The carrying amount of these items is equivalent to the fair value.

Medium Term Notes
The fair value of NZ$ notes is based on quoted market prices.
The fair value of A$ notes is based on the face value converted at the exchange rate prevailing at year end.

Derivative instruments
The fair value of interest rate swaps, forward rate agreements, interest rate options and other derivative instruments is estimated based on the quoted market prices for these instruments.

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18 SEGMENTAL REPORTING

The predominant activity of UnitedNetworks is the ownership and operation of electricity distribution networks. All operations are conducted in New Zealand.

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19 CAPITAL COMMITMENTS

At balance date, estimated capital expenditure contracted for but not provided was approximately $8 million (2001: nil).

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20 CONTINGENT LIABILITIES

The company has contingent liabilities totalling $1.3 million (2001: $2.1 million) consisting of:

i) Performance bonds to ensure completion of contract works; and
ii) Letters of credit to satisfy New Zealand Stock Exchange listing requirements; and
iii) Letters of credit to guarantee other payments

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21 TRANSACTIONS BETWEEN RELATED PARTIES

The principal related party of UnitedNetworks is its holding company UtiliCorp NZ Limited. Deutsche Bank AG is a shareholder in the parent company of UtiliCorp NZ Limited and details of transactions with it have been disclosed as if Deutsche Bank AG were a related party.

	2002 ($000)	2001 ($000)
Purchases from UtiliCorp NZ Limited and subsidiaries	$3,999	$1,890
Purchase of tax losses from Utilicorp NZ Limited	$5,258	$3,600
Balance due to UtiliCorp NZ Limited	$1,588	$269
Balance due to UtiliCorp NZ Limited arising from transfer of tax losses	$2,875	$6,286
Advisory, financing and success fees paid to Deutsche Bank Limited	$225	$41
Interest payments to Deutsche Bank AG	$6,654	$10,566
Borrowings owing to Deutsche Bank AG	$67,939	$549,685
Interest and other balances due to Deutsche Bank AG	$390	$3,121

2.5 NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS (continued)

Holding company

The company is a subsidiary of UtiliCorp NZ Limited. The ultimate holding company is Aquila, Inc. (previously known as Utilicorp United Inc), which is incorporated in the United States of America.
All transactions are conducted under normal commercial terms of settlement.

Deutsche Bank AG

A New Zealand subsidiary of Deutsche Bank purchased a shareholding in a parent company of UtiliCorp NZ Limited on 30 June 2000. Deutsche Bank provides advisory and financing services to UnitedNetworks. All transactions between UnitedNetworks and Deutsche Bank are conducted on an arms length basis under normal market conditions.

UnitedNetworks Contracting Business

The UnitedNetworks Contracting Business provided maintenance and construction work on the Lines Business assets for the period 1 April 2001 to 1 July 2001. The contracting business was sold to Siemens A.G. on 2 July 2001. Accordingly the figures below cover the period 1 April 2001 to 1 July 2001.
Terms of settlement: settled under normal terms of trade.
Total debts written off or forgiven: nil

Reticulation asset additions	Quantity	Unit price ($)	Expenditure ($000)
Construction of subtransmission assets	969	319	309
Construction of zone substations	224	18,734	4,196
Construction of distribution lines and cables	127,719	62	7,919
Construction of medium voltage switchgear	152	2,419	367
Construction of distribution transformers	172	7,591	1,306
Construction of distribution substations	58	3,234	187
Construction of low voltage reticulation	87,798	52	4,566
Construction of other system fixed assets as per ODV handbook	54	2,521	136
Total reticulation asset additions	217,146		18,986

	2002 ($000)	2001 ($000)
Advances from other business	**197,470**	112,819

22 OPERATING LEASE COMMITMENTS

	2002 ($000)	**2001 ($000)**
At balance date the group had the following operating lease commitments:		
Within the year	1,964	600
Between one and two years	1,781	600
Between two and five years	1,663	1,075
Over five years	2,989	3,338
	8,397	5,613

23 EVENTS OCCURRING AFTER BALANCE DATE

The directors are not aware of any significant event occurring subsequent to balance date which, if known at balance date, would have resulted in a different assessment of the amount attributable to an item in the financial statements.

3. PERFORMANCE MEASURES AND STATISTICS: Regulations 15 - 22

3.1 FINANCIAL PERFORMANCE AND EFFICIENCY MEASURES
For the year ended 31 March 2002

	Schedule 1 – PART 3	2002	2001	2000	1999	1998
1	**Financial performance measures**					
A	Return on funds	19.59%	17.99%	16.69%	13.40%	-
B	Return on equity	*124.68%	*346.81%	*235.33%	8.76%	-
C	Return on investment	12.99%	12.87%	9.82%	9.22%	-
	Accounting return on total assets	-	-	-	-	9.87%
	Accounting return on Equity	-	-	-	-	8.04%
	Accounting rate of profit	-	-	-	-	8.07%
	*The treatment of identified intangible in the calculation of ROE from 2000 has been amended by regulation from that used in 1999.					
	Additional Information The following financial performance measures result if the full book value of the line assets purchased from TransAlta and Trustpower is included in the financial ratio calculations.					
A	Return on funds	12.44%	11.22%	10.39%	6.23%	
B	Return on equity	14.95%	12.96%	10.75%	6.49%	
C	Return on investment	7.98%	7.77%	5.79%	4.09%	
2	**Financial performance measures**					
A	Direct line costs per kilometre	$891.93	$1,075.69	$1,173.41	$1,209.32	$975.51
	a/b where					
	a = direct expenditure ($)	*$26,777,256*	*$31,029,587*	*$30,510,198*	*$31,883,657*	*$12,964,341*
	b = system length (kms)	*30,021.83*	*28,846.20*	*26,001.32*	*26,364.93*	*13,289.84*
b	Indirect line costs per consumer	$62.94	$56.45	$62.92	$98.07	$115.35
	a/b where					
	a = indirect expenditure ($)	*$31,848,622*	*$27,794,618*	*$30,808,606*	*$48,337,314*	*$25,811,387*
	b = total consumers	*506,035*	*492,387*	*489,656*	*492,883*	*223,765*

3.2 DERIVATION OF FINANCIAL PERFORMANCE MEASURES

Schedule 1 – PART 7 FORM FOR THE DERIVATION OF FINANCIAL PERFORMANCE MEASURES FROM FINANCIAL STATEMENTS

Derivation Table	Input and Calc ($000)	Symbol in formula	ROF		ROE		ROI	
Operating surplus before interest and income tax from financial statements	192,004							
Operating surplus before int. and income tax adj pursuant to reg 18 (OSBIIT)	192,004							
Interest on cash, bank balances, and short-term investments (ISTI)	922							
OSBIIT minus ISTI	191,083	a		191,083			191,083	
Net surplus after tax from financial statements	95,188							
Net surplus after tax adjusted pursuant to regulation 18 (NSAT)	95,188	n				95,188		
Amortisation of goodwill and amortisation of other intangibles	13,468	g	Add	13,468	Add	13,468	Add	13,468
Subvention payment	2,389	s	Add	2,389	Add	2,389	Add	2,389
Depreciation of SFA at BV (x)	39,705							
Depreciation of SFA at ODV (y)	39,705							
ODV depreciation adjustment	0	d	Add	-	Add	-	Add	-
Subvention payment tax adjustment	6,856	s*t			Deduct	6,856	Deduct	6,856
Interest tax shield	18,461	q					Deduct	18,461
Revaluations	-	r					Add	-
Income tax	39,954	p					Deduct	39,954
Income tax adjustment on amortisation of other intangibles	4,416				Deduct	4,416	Deduct	4,416
Numerator			$OSBIIT^{ADJ}$ = a + g + s + d	**206,940**	$NSAT^{ADJ}$ = n + g + s - s*t + d	**99,773**	$OSBIIT^{ADJ}$ = a + g - q + r + s + d - p - s*t	**137,254**
Fixed assets at end of previous financial year (FA_0)	1,091,542							
Fixed assets at end of current financial year (FA_1)	1,088,474							
Adjusted net working capital at end of previous financial year ($ANWC_0$)	(5,361)							
Adjusted net working capital at end of current financial year ($ANWC_1$)	(9,608)							
Average total funds employed (ATFE) - Reg 33 time-weighted average	1,082,524	c		1,082,524				1,082,524
Total equity at end of previous financial year (TE_0)	591,553							
Total equity at end of current financial year (TE_1)	632,533							
Average total equity - Reg 33 time-weighted average	612,043	k				612,043		
WUC at end of previous financial year (WUC_0)	28,260							
WUC at end of current financial year (WUC_1)	26,739							
Average total works under construction - Reg 33 time-weighted average	27,499	e	Deduct	27,499	Deduct	27,499	Deduct	27,499
Revaluations	-	r						
Half of revaluations	-	r/2					Deduct	-
Intangible assets at end of previous financial year (IA_0)	507,402							
Intangible assets at end of current financial year (IA_1)	493,935							
Average total intangible asset - Reg 33 time-weighted average	500,668	m			Deduct	500,668		
Subvention payment at end of previous financial year (S_0)	4,706							
Subvention payment at end of current financial year (S_1)	2,389							
Subvention payment tax adjustment at end of previous financial year	10,353							
Subvention payment tax adjustment at end of current financial year	6,856							
Average subvention payment & related tax adjustment	(5,057)	v			Add	(5,057)		
System fixed assets at end of previous financial year at book value (SFA_{bv0})	1,037,001							
System fixed assets at end of current financial year at book value (SFA_{bv1})	1,038,455							
Ave. value of system fixed assets at book value - Reg 33 time-weighted ave.	1,037,728	f	Deduct	1,037,728	Deduct	1,037,728	Deduct	1,037,728
System Fixed assets at year beginning at ODV value (SFA_{odv0})	1,037,001							
System Fixed assets at end of current financial year at ODV value (SFA_{odv1})	1,040,859							
Ave. value of system fixed assets at ODV value - Reg 33 time-weighted ave.	1,038,930	h	Add	1,038,930	Add	1,038,930	Add	1,038,930
Denominator			$ATFE^{ADJ}$ = c - e - f + h	**1,056,227**	Ave TE^{ADJ} = k - e - m + v - f + h	**80,021**	$ATFE^{ADJ}$ = c - e - ½r - f + h	**1,056,227**
Financial Performance Measure:			ROF $OSBIIT^{ADJ}/ATFE^{ADJ} \times 100$	**19.59%**	ROE $NSAT^{ADJ}/ATE^{ADJ} \times 100$	**124.68%**	ROI $OSBIIT^{ADJ}/ATFE^{ADJ} \times 100$	**12.99%**

3.3 ENERGY DELIVERY EFFICIENCY PERFORMANCE MEASURES AND STATISTICS
For the year ended 31 March 2002

	Schedule 1 – PART 4	2002	2001	2000	1999	1998
1	**Energy delivery efficiency performance measures**					
a	**Load factor**	**62.77%**	**58.88%**	**58.87%**	**59.94%**	**55.70%**
	*a/bc * 100 where*					
	a = kWh of electricity entering system	7,461,688,039	7,120,433,531	6,864,048,000	6,681,341,709	3,607,989,950
	b = maximum demand	1,356,970	1,380,517	1,327,434	1,272,484	657,584
	c = total number of hours in financial year	8,760	8,760	8,784	8,760	9,851
b	**Loss ratio**	**5.61%**	**5.34%**	**4.50%**	**5.44%**	**6.20%**
	*a/b * 100 where*					
	a = losses of electricity in kWh	418,262,514	380,164,078	309,179,016	363,708,921	223,695,377
	b = kWh of electricity entering system	7,461,688,039	7,120,433,531	6,864,048,000	6,681,341,709	3,607,989,950
c	**Capacity utilisation**	**34.91%**	**37.25%**	**35.54%**	**34.03%**	**39.63%**
	*a/b * 100 where*					
	a = maximum demand	1,356,970	1,380,517	1,327,434	1,272,484	657,584
	b = transformer capacity (kVA)	3,887,571	3,705,855	3,735,466	3,739,313	1,659,135

3.3 ENERGY DELIVERY EFFICIENCY PERFORMACE MEASURES AND STATISTICS (continued)

	Schedule 1 – PART 4	2002	2001	2000	1999	1998
2	**Statistics**					
a	**System length – total (kms)**	**30,021.83**	**28,846.20**	**24,910.50**	**24,218.50**	**13,289.84**
	110kV	36.45	36.50	25.00	25.00	25.40
	66kV	150.26	156.60	144.00	144.00	143.81
	50kV	-	-	-	-	-
	33kV	1,282.57	1,308.60	1,436.50	1,365.50	772.57
	22kV	-	-	-	-	-
	11kV	13,033.49	12,996.40	12,240.00	12,102.50	6,526.15
	6.6kV	-	-	-	-	-
	3.3kV	-	-	-	-	-
	230/400 V	15,519.06	14,348.10	11,065.00	10,581.50	5,821.91
b	**Circuit length – o/h (kms)**	**19,339.94**	**18,549.90**	**16,876.00**	**16,696.00**	**10,124.27**
	110kV	27.67	27.70	25.00	25.00	25.40
	66kV	150.26	156.60	144.00	144.00	143.81
	50kV	-	-	-	-	-
	33kV	997.86	1,027.30	1,072.00	1,071.50	680.88
	22kV	-	-	-	-	-
	11kV	9,944.78	9,968.5	9,321.50	9,438.00	5,465.13
	6.6kV	-	-	-	-	-
	3.3kV	-	-	-	-	-
	230/400 V	8,219.37	7,396.80	6,313.50	6,017.50	3,809.05
c	**Circuit length – u/g (kms)**	**10,681.89**	**10,296.30**	**8,034.50**	**7,522.50**	**3,165.57**
	110kV	8.78	8.80	-	-	-
	66kV	-	-	-	-	-
	50kV	-	-	-	-	-
	33kV	284.71	281.30	364.50	294.00	91.69
	22kV	-	-	-	-	-
	11kV	3,088.71	3,027.90	2,918.50	2,664.50	1,061.02
	6.6kV	-	-	-	-	-
	3.3kV	-	-	-	-	-
	230/400 V	7,299.70	6,978.30	4,751.50	4,564.00	2,012.86
d	**Transformer capacity (kVA)**	3,887,571	3,705,855	3,735,466	3,739,313	1,659,135
e	**Maximum demand (kWh)**	1,356,970	1,380,517	1,327,434	1,272,484	657,584
f	**Total electricity supplied from system, after losses of electricity (kWh)**	7,283,111,083	6,740,269,453	6,554,868,984	6,317,632,788	3,384,294,573
g	**Total amount of electricity conveyed through the system, before losses of electricity, on behalf of each person that is an electricity generator or electricity retailer or both:**					
	On Energy (previously TransAlta)	1,328,877,777	3,576,249,078	4,115,559,838	954,312,486	-
	Trustpower	1,490,659,159	1,483,009,486	1,236,430,880	228,008,660	-
	First Electric	-	54,445,430	149,231,368	-	-
	Empower	-	134,109,341	18,695,939	546,385	-
	Meridian	461,355,825	4,759,528	17,146,507	-	-
	Mighty River	578,293,427	20,194,008	4,396,398	-	-
	Mercury	-	118,160,350	2,218,739	444,189,000	-
	Contact	483,471,506	200,851,992	1,311,841	63,091,832	-
	Energy Waikato (NGC Wel Energy)	32,119,355	149,552,573	896,525	-	-
	Bay of Plenty	-	-	307,593	-	-
	Energy Options	-	-	144,289	-	-
	Genesis	1,694,727,680	313,613,163	107,161	-	-
	Todd Energy	221,562,973	62,935,543	-	-	-
	Carter Holt Harvey Pulp & Paper	356,632,518	325,821,080	-	-	-
	KCE Retail Ltd	-	50,576,296	-	-	-
	Phoenix	-	120,069	-	-	-
	NZ Co-op Dairy Group	99,213,310	-	-	-	-
	NZ Sugar	14,790,327	-	-	-	-
	Energy Online	50,638,387	-	-	-	-
	Other	60,696,264	626,035,594	1,317,600,922	4,627,484,425	-
	Total (kWh)	6,873,038,508	7,120,433,531	6,864,048,000	6,317,632,788	-
h	**Total number of consumers**	506,035	492,387	479,972	469,953	223,765

3.4 RELIABILITY PERFORMANCE MEASURES
For the year ended 31 March 2002

	Schedule 1 – PART 5							
		Ave Target	**Target**			**Actual**		
	Interruptions	**2003/07**	**2003**	**2002**	**2001**	**2000**	**1999**	**1998**
1-3	**Total**			**2,229**	**2,258**	**2,258**	**2,421**	**1,683**
	Class A			2	-	1	5	1
	Class B - planned	850	850	971	831	828	1,002	645
	Class C - unplanned	1,100	1,200	1,234	1,421	1,077	1,402	1,032
	Class D			18	6	19	12	5
	Class E			3	-	-	-	-
	Class F			1	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-
							Within 3 hrs	**Within 24 hrs**
4	**Proportion of total class C interruptions not restored**							
	*a/b * 100 where*						**58.43%**	**0.73%**
	a = no. of interruptions not restored within						*721*	*9*
	b = total number of Class C interruptions						*1,234*	*1,234*
		Ave Target	**Target**			**Actual**		
	Faults	**2003/07**	**2003**	**2002**	**2001**	**2000**	**1999**	**1998**
5	**Faults per 100 circuit kms**			**9.50**	**10.00**	**8.79**	**10.47**	**13.32**
	110kV			-	-	-	-	-
	66kV	5.00	5.00	6.00	3.99	6.25	1.47	4.87
	50kV			-	-	-	-	-
	33kV	8.00	8.00	8.40	10.91	6.96	5.49	8.03
	22kV			-	-	-	-	-
	11kV	9.00	9.00	9.71	10.38	9.05	11.14	14.19
	6.6kV			-	-	-	-	-
	3.3kV			-	-	-	-	-
	230/400 V			-	-	-	-	-
6	**Faults per 100 circuit kms (underground)**			**4.20**	**5.00**	**5.63**	**4.73**	**6.41**
	110kV			-	-	-	-	-
	66kV			-	-	-	-	-
	50kV			-	-	-	-	-
	33kV			2.67	5.70	4.66	2.72	2.18
	22kV			-	-	-	-	-
	11kV			4.38	5.01	5.76	4.95	6.78
	6.6kV			-	-	-	-	-
	3.3kV			-	-	-	-	-
	230/400 V			-	-	-	-	-
7	**Faults per 100 circuit kms (overhead)**			**11.23**	**12.00**	**9.77**	**12.06**	**14.58**
	110kV			-	-	-	-	-
	66kV			6.00	3.99	6.25	3.47	4.87
	50kV			-	-	-	-	-
	33kV			10.10	12.35	7.74	6.25	8.81
	22kV			-	-	-	-	-
	11kV			11.45	12.00	10.08	12.88	15.62
	6.6kV			-	-	-	-	-
	3.3kV			-	-	-	-	-
	230/400 V			-	-	-	-	-

3.4 RELIABILITY PERFORMANCE MEASURES (continued)

Schedule 1 – PART 5

		Ave targets 2003/07	Targets 2003	Actual 2002	2001	2000	1999	1998
8-11	**SAIDI**			**121.61**	**130.25**	**108.88**	**179.32**	**171.19**
	Class A			0.01	-	0.01	6.50	-
	Class B - planned	20	20	21.23	15.18	17.18	22.48	28.39
	Class C - unplanned	93	96	97.90	107.68	80.98	143.89	134.25
	Class D			2.13	7.40	10.71	6.47	8.55
	Class E			0.34	-	-	-	-
	Class F			-	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-
	a/b where							
	a = sum of interruption duration factors			*61,541,348*	*64,133,932*	*52,257,815*	*84,273,989*	*38,306,330*
	Class A			*7,377*	-	*6,661*	*3,052,862*	-
	Class B	*10,500,000*	*10,300,000*	*10,740,624*	*7,472,526*	*8,244,468*	*10,562,925*	*6,352,688*
	Class C	*48,580,000*	*49,450,000*	*49,541,419*	*53,018,462*	*38,866,409*	*67,619,428*	*30,040,451*
	Class D			*1,077,309*	*3,642,944*	*5,140,277*	*3,038,774*	*1,913,191*
	Class E			*174,386*	-	-	-	-
	Class F			*233*	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-
	b = total consumers	*525,000*	*515,000*	*506,035*	*492,387*	*479,972*	*469,953*	*223,765*
12-15	**SAIFI**			**1.99**	**2.03**	**1.91**	**2.38**	**2.90**
	Class A			-	-	0.01	0.03	-
	Class B - planned	0.10	0.10	0.12	0.09	0.11	0.14	0.18
	Class C - unplanned	1.62	1.67	1.66	1.80	1.53	1.97	2.37
	Class D			0.20	0.14	0.26	0.24	0.35
	Class E			0.01	-	-	-	-
	Class F			-	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-
	a/b where							
	a = sum of electricity consumers			*1,008,822*	*991,151*	*918,663*	*1,117,292*	*648,919*
	Class A			*467*	-	*6,661*	*16,431*	-
	Class B	*52,500*	*51,500*	*61,166*	*43,167*	*50,470*	*64,529*	*40,278*
	Class C	*849,000*	*860,000*	*839,061*	*887,023*	*735,852*	*924,582*	*530,323*
	Class D			*100,562*	*68,961*	*125,680*	*111,750*	*78,318*
	Class E			*7,565*	-	-	-	-
	Class F			*1*	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-
	b = total consumers	*525,000*	*515,000*	*506,035*	*479,972*	*479,972*	*469,953*	*223,765*

3.4 RELIABILITY PERFORMANCE MEASURES (continued)

	Schedule 1 – PART 5	Ave targets 2003/07	Targets 2003	Actual 2002	2001	2000	1999	1998
16-19	**CAIDI**			**61**	**64**	**57**	**75**	**59**
	Class A			16	-	1	186	-
	Class B - planned	200	200	176	173	163	164	158
	Class C – unplanned	57	58	59	60	53	73	57
	Class D			11	53	41	27	24
	Class E			23	-	-	-	-
	Class F			233	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-
	a/b where							
	a = sum of interruption duration factors			*61,541,348*	*64,133,932*	*52,257,815*	*84,273,989*	*38,306,330*
	Class A			*7,377*	-	*6,661*	*3,052,862*	-
	Class B	*10,500,000*	*10,300,000*	*10,740,624*	*7,472,526*	*8,244,468*	*10,562,925*	*6,352,688*
	Class C	*48,580,000*	*49,450,000*	*49,541,419*	*53,018,462*	*38,866,409*	*67,619,428*	*30,040,451*
	Class D			*1,077,309*	*3,642,944*	*5,140,277*	*3,038,774*	*1,913,191*
	Class E			*174,386*	-	-	-	-
	Class F			*233*	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-
	b = total consumers			*1,008,822*	*991,151*	*918,663*	*1,117,292*	*648,919*
	Class A			*467*	-	*6,661*	*16,431*	-
	Class B	*52,500*	*51,500*	*61,166*	*43,167*	*50,470*	*64,529*	*40,278*
	Class C	*849,000*	*860,000*	*839,061*	*887,023*	*735,852*	*924,582*	*530,323*
	Class D			*100,562*	*68,961*	*125,680*	*111,750*	*78,318*
	Class E			*7,565*	-	-	-	-
	Class F			*1*	-	-	-	-
	Class G			-	-	-	-	-
	Class H			-	-	-	-	-
	Class I			-	-	-	-	-

3.5 ANNUAL VALUATION RECONCILIATION REPORT
For the year ended 31 March 2002

	Schedule 1 – PART 8	$000
	System fixed assets at ODV - end of the previous financial year	1,037,001
add	System fixed assets acquired during the year at ODV	43,563
less	System fixed assets disposed of during the year at ODV	-
less	Depreciation on system fixed assets at ODV	39,705
add	Revaluations of system fixed assets	-
	System fixed assets at ODV - end of the financial year	**1,040,859**

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