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MAINPOWER NEW ZEALAND LIMITED

INFORMATION FOR DISCLOSURE

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

MAINPOWER NEW ZEALAND LTD**Notes to and Forming Part of the Financial Statements
For The Year Ended 31 March 2003****Statement of Accounting Policies Specific to MainPower's Lines Business Activities**Reporting Entity

MainPower New Zealand Limited is a company registered under the Companies Act 1993.

The financial statements have been prepared in accordance with, and for the purposes of, complying with the requirements of the Electricity (Information Disclosure) Regulations 1999, the Electricity (Information Disclosure) Amendment Regulations 2000 and the Electricity (Information Disclosure) Amendment Regulations 2001.

MainPower New Zealand Limited is a reporting entity for the purposes of the Financial Reporting Act 1993.

Special Purpose Financial Statements

These financial statements have been prepared for the purpose of complying with the requirements of the Electricity (Information Disclosure) Regulations 1999 and amendments to those Regulations.

Allocations of the costs, revenues, assets and liabilities of the Company have been made in accordance with the mandatory avoidable cost allocation methodology as required by the Regulations.

This approach defines the line business as the company's core business, and makes an assessment of the costs, revenues, assets and liabilities that would be avoided by the line business if all non-core businesses were to cease operation. The costs, revenues, assets and liabilities that would be avoided are allocated to those non-core businesses. Costs, revenues, assets and liabilities that would not be avoided are allocated to the line business.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on an historical cost basis, modified by the revaluation of certain fixed assets, have been followed.

Accounting Policies

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

1.1 Fixed Assets and Depreciation

All fixed assets are initially recorded at cost. Distribution assets are subsequently revalued on an Optimised Deprival Valuation (ODV) basis and are revalued at least once every three years.

Distribution assets were revalued by PricewaterhouseCoopers on an Optimised Deprival Valuation (ODV) basis as at 31 March 2003.

Depreciation is provided on all tangible fixed assets at rates that will allocate the assets' cost or valuation, to their residual values, over their estimated useful lives. All other assets are depreciated on a diminishing value basis.

Depreciation rates for major classes of assets used in the preparation of the financial statements are based on periods not exceeding:

Distribution System	-	70 years
Motor Vehicles	-	5 years
Plant and Equipment	-	14 years
Office Furniture and Equipment	-	10 years

The electricity distribution system economic lives have been set consistent with the Ministry of Economic Development's revised ODV Handbook. The economic lives range from 15 – 70 years for the different components of the distribution system.

Gains and losses on disposal of fixed assets are taken into account in determining the operating result for the year.

1.2 Income Tax

The income tax expense charged to the Statement of Financial Performance includes the current year's provision after allowing for permanent differences. Deferred taxation is determined on a partial basis using the liability

MAINPOWER NEW ZEALAND LTD**Notes to and Forming Part of the Financial Statements
For The Year Ended 31 March 2003**

method. Deferred tax assets attributable to timing differences or tax losses are only recognised if there is virtual certainty of realisation.

1.3 Goods and Services Tax

The financial statements have been prepared exclusive of goods and services tax (GST) with the exception of receivables and payables which include GST invoiced.

1.4 Allocation of Costs , Revenues , Assets and Liabilities

The allocation of costs, revenues, assets and liabilities are in accordance with Regulation 6 of the Electricity (Information Disclosure) Regulations 1999 (as amended).

1.5 Business Accounting Separation

Lines Business

The Lines business provides and maintains the electricity distribution network throughout the North Canterbury and Kaikoura regions.

1.6 Rebate Shares

i) Redemption

Rebate Shares are only held by Qualifying Customers and the Trustees of the MainPower Trust. They are not transferable and are subject to compulsory redemption at a nominal value of ten (10) cents when a person ceases to be a Qualifying Customer of MainPower.

ii) Rebates

The Rebate Share entitles a Qualifying Customer to a rebate of fixed and variable distribution line charges. The accumulated rebate paid to Qualifying Customers is disclosed separately in the Statement of Financial Performance.

1.7 Capital Contributions

Where Distribution System network assets are gifted to MainPower in recognition of MainPower accepting responsibility for the continued maintenance of those assets, MainPower recognises the gift as income and treats the asset as an addition to the company's asset base.

1.8 Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied on a bases consistent with those used in previous years.

MAINPOWER NEW ZEALAND LTD**Lines Business Statement of Financial Performance
For The Year Ended 31 March 2003**

	Note	2003 \$000	2002 \$000
Operating Revenue	1a	26,626	23,778
Operating Expenditure	1b	(20,904)	(20,004)
Operating Surplus Before Interest & Taxation		5,722	3,774
Interest Expense		-	-
Taxation	1c	(1,321)	(838)
Operating Surplus After Taxation		4,401	2,936
Net Surplus After Taxation	4	4,401	2,936

**Lines Business Statement of Movements in Equity
for the Year Ended 31 March 2003**

	Note	2003 \$000	2002 \$000
Equity at Start of Period		95,717	92,781
Net Surplus	4	4,401	2,936
Increase/(Decrease) in Asset Revaluation Reserve		(4,578)	-
Total Recognised Revenues and Expenses		(177)	2,936
Equity at the End of the Period		95,540	95,717

MAINPOWER NEW ZEALAND LTD

**Lines Business Statement of Financial Position
As At 31 March 2003**

	Note	2003 \$000	2002 \$000
Equity			
Share Capital	2	23,411	23,411
Reserves	3	59,810	64,388
Retained Earnings	4	12,319	7,918
Total Shareholders' Equity		95,540	95,717
Minority Interests in Subsidiaries		-	-
Total Equity		95,540	95,717
Capital Notes		-	-
Total Capital Funds		95,540	95,717
Non Current Liabilities	10	90	93
Current Liabilities			
Accounts Payable and Accruals	9	1,759	2,472
Total Equity and Liabilities		97,389	98,282
Non Current Assets			
Fixed Assets	5	90,343	91,801
Total Non Current Assets		90,343	91,801
Current Assets			
Bank and Short term deposits		5,260	4,912
Short Term Investments		-	-
Receivables and Prepayments	6	1,786	1,569
Inventory		-	-
Other Current Assets		-	-
Total Current Assets		7,046	6,481
Other Tangible Assets	7	-	-
Total Tangible Assets		97,389	98,282
Intangible Assets	8	-	-
Total Assets		97,389	98,282

MAINPOWER NEW ZEALAND LTD**Lines Business Statement of Cash Flows
For The Year Ended 31 March 2003**

	2003	2002
	\$000	\$000
Cash Flows From Operating Activities		
Cash was provided from:		
Receipts from Customers	16,996	15,409
Interest Received	284	235
	<u>17,280</u>	<u>15,644</u>
Cash was disbursed to:		
Payments to Suppliers and Employees	(11,370)	(9,054)
Income Taxes Paid	(895)	(809)
Interest Paid	-	-
	<u>(12,265)</u>	<u>(9,863)</u>
Net Cash Inflow from Operating Activities	12	5,781
Cash Flows from Investing Activities		
Cash was provided from:		
Sale of Fixed Assets	15	40
Cash was Applied to:		
Purchase of Fixed Assets	(4,682)	(5,590)
Net Cash Outflow from Investing Activities	(4,667)	(5,550)
Cash Flows from Financing Activities		
Cash was Applied to:		
Dividend Paid to Other Business Activities	-	-
Repayment Loans	-	-
Net Cash Outflow from Financing Activities	-	-
SUMMARY		
Inflow from Operating Activities	5,015	5,781
Outflow from Investing Activities	(4,667)	(5,550)
Outflow from Financing Activities	-	-
Net Increase in Cash Holdings	<u>348</u>	<u>231</u>
Add Opening Bank and Short Term Deposits	<u>4,912</u>	<u>4,681</u>
Closing Bank and Short Term Deposits	5,260	4,912

MAINPOWER NEW ZEALAND LTD
Lines Business
Notes to and Forming Part of the Financial Statements
For The Year Ended 31 March 2003

1a	Operating Revenue	2003 \$000	2002 \$000
	Line Charges ex Retailers	22,988	20,104
	Line Charges ex Customers	-	-
	A C Rental Rebates	474	1,152
	Interest	284	235
	Revenue from "Other" Business	-	-
	Other Operating Revenue	2,880	2,287
	Total Operating Revenue	26,626	23,778
1b	Operating Expenditure		
	Transmission Charges	5,493	5,500
	Transfer Payments		
	Asset Maintenance	2,229	2,016
	Consumer Disconnection	-	-
	Metering	4	5
	Load Control	30	29
	Royalty and Patents	-	-
	Avoid Transmission Charges	-	-
	Other	-	20
	Total Transfer Payments	2,263	2,070
	Non Related Parties		
	Asset Maintenance	9	-
	Consumer Disconnection	-	-
	Metering	-	-
	Load Control	-	-
	Royalty and Patents	-	-
	Total Non Related Parties	9	-
	Salaries and Wages	1,176	1,204
	Consumer Billing and Information System	152	123
	Depreciation		
	System Assets	3,895	3,982
	Other	244	248
	Total Depreciation	4,139	4,230
	Amortisation		
	Goodwill	-	-
	Other Intangibles	-	-
	Total Amortisation	-	-
	Corporate and Administration	495	453
	Human Resources Expenses	241	211
	Market and Advertising	13	23
	Merger and Acquisition Expenses	-	-
	Takeover Defence Expenses	-	-
	Research and Development Expenses	-	-
	Consultancy and Legal Expenses	81	80
	Donations	-	-
	Directors Fees	123	142

MAINPOWER NEW ZEALAND LTD
Lines Business
Notes to and Forming Part of the Financial Statements
For The Year Ended 31 March 2003

1b	Operating Expenditure (continued)	2003	2002
		\$000	\$000
	Auditors Fees		
	Principal Auditors	20	16
	Other Auditors	-	-
	Other Audit Services	-	2
	<u>Total Auditors Fees</u>	<u>20</u>	<u>18</u>
	Cost of Credit		
	Bad Debts Written Off	2	6
	Doubtful Debts	-	-
	<u>Total Cost of Credit</u>	<u>2</u>	<u>6</u>
	Rates	95	25
	AC Loss – Rental Rebates	-	-
	Rebates to Consumers Due to Ownership Interest	6,561	5,913
	Subvention Payments	-	-
	Unusual Expenses	-	-
	Other Expenditure	41	6
	<u>Total Operating Expenditure</u>	<u>20,904</u>	<u>20,004</u>
	Operating Surplus Before Interest and Income Tax	5,722	3,774
	Interest Expense		
	Borrowings		
	Finance Leases	-	-
	Other	-	-
	<u>Total Interest Expense</u>	<u>-</u>	<u>-</u>
	Operating Surplus Before Income Tax	5,722	3,774
	Income Tax	1,321	838
	<u>Net Surplus After Taxation</u>	<u>4,401</u>	<u>2,936</u>
1c	Taxation		
	Operating Surplus Before Taxation	5,722	3,774
	Prime Facie Taxation @ 33 cents	1,888	1,245
	Movement in Income Tax Due to		
	Permanent Differences	(769)	(690)
	Taxation Relating to Previous Periods	-	-
	Timing Differences Not Recognised	202	283
	Deferred Tax Adjustment	-	-
	<u>Total Taxation Expense per Statement of Financial Performance</u>	<u>1,321</u>	<u>838</u>
	The Taxation Charge is Represented by:		
	Current Taxation	1,321	838
	Deferred Taxation	-	-
	<u>Total Taxation Expense per Statement of Financial Performance</u>	<u>1,321</u>	<u>838</u>
2.	Share Capital		
	Issued and Fully Paid Capital		
	Ordinary Shares	23,406	23,406
	Redeemable Preference Shares	5	5
	<u>Total Issued Capital</u>	<u>23,411</u>	<u>23,411</u>
	Share Capital Movements		
	Opening Balance	23,411	23,411
	<u>Total Issued Capital</u>	<u>23,411</u>	<u>23,411</u>

MAINPOWER NEW ZEALAND LTD
Lines Business
Notes to and Forming Part of the Financial Statements
For The Year Ended 31 March 2003

	2003	2002
	\$000	\$000
3. Reserves		
Company Establishment Reserve		
Balance at 31 March	4,647	4,647
Asset Revaluation Reserve		
Opening Balance	59,741	59,741
Revaluation Distribution System	(4,578)	-
Closing Balance	55,163	59,741
Total Reserves	59,810	64,388
The Company Establishment Reserve represents the difference between the issued and paid up capital and the net assets vested in the Company from the former North Canterbury Electric Power Board at 1 May 1993.		
4. Retained Earnings		
Opening Balance	7,918	4,982
Net Surplus	4,401	2,936
Total Retained Earnings	12,319	7,918
5. Fixed Assets		
Distribution System	88,882	94,156
Accumulated Depreciation	-	3,941
	88,882	90,215
Load Control Equipment	744	864
Accumulated Depreciation	-	41
	744	823
System Fixed Assets	89,626	95,020
Accumulated Depreciation	-	3,982
System Fixed Assets	89,626	91,038
Motor Vehicles	334	343
Accumulated Depreciation	230	220
	104	123
Consumer Billing and Information System Assets	1,501	1,400
Accumulated Depreciation	1,231	1,093
	270	307
Office Equipment	836	757
Accumulated Depreciation	610	554
	226	203
Furniture and Fittings	314	307
Accumulated Depreciation	197	177
	117	130
Land and buildings	-	-
Capital works under construction	-	-
Other Fixed Assets	-	-
Accumulated Depreciation	-	-
	-	-
Total Fixed Assets	90,343	91,801

MAINPOWER NEW ZEALAND LTD
Lines Business
Notes to and Forming Part of the Financial Statements
For The Year Ended 31 March 2003

	2003	2002
	\$000	\$000
6. Receivables		
Lines Receivables	1,720	1,258
Prepayments	-	-
Taxation	-	176
Other	66	135
	1,786	1,569
7. Other Tangible Assets	-	-
8. Intangible Assets		
Goodwill	-	-
Other Intangibles	-	-
Total Intangible Assets	-	-
9. Current Liabilities		
Bank Overdraft	-	-
Short Term Borrowings	-	-
Payables and Accruals	1,509	2,472
Provision for Dividend	-	-
Provision for Tax	250	-
Other	-	-
Total Current Liabilities	1,759	2,472
10. Non Current Liabilities		
Payables and Accruals	-	-
Borrowings	-	-
Deferred Tax	-	-
Other	90	93
Total Non Current Liabilities	90	93

11. Transactions with Related Parties

(i) MainPower Trust

The major related party of MainPower is the MainPower Trust and during the current financial year there were no related party transactions and no related party debts written off or forgiven and no transaction took place at nil or nominal value.

(ii) MainPower Contracting Limited

There were no related party debts written off or forgiven and no transaction took place at nil or nominal value.

The amount owing by MainPower New Zealand Limited to Mainpower Contracting Limited at balance date was \$447,168 (2002 \$446,902) while the amount owing by Mainpower Contracting Limited to Mainpower New Zealand Limited at balance date was \$13,847 (2002 \$23,594). Both amounts are payable on normal trading terms.

The following services were supplied by MainPower Contracting Limited to the Lines Business.

MAINPOWER NEW ZEALAND LTD
Lines Business
Notes to and Forming Part of the Financial Statements
For The Year Ended 31 March 2003

	2003	2002
	\$000	\$000
1. Asset Maintenance	2,229	2,016
2. Meter Maintenance	4	5
3. Load Control Maintenance	30	29
4. Construction of Distribution Substations	545	909
5. Construction of Distribution Transformers	930	1,801
6. Construction of Low Voltage Reticulation	398	282
7. Construction of Distribution Lines and Cables	1,687	2,170
8. Construction of Subtransmission Assets	-	-
9. Construction of Other System Assets	66	109
10. Construction of Medium Voltage Switchgear	-	-
11. Construction of Zone Substations	-	-
12. Consumer Connections and Disconnection	-	-

12. Reconciliation with Reported Operating Surplus

Reported Surplus After Taxation	4,401	2,936
Non Cash Items		
Depreciation	4,139	4,230
Customer Contributions	(2,592)	(2,346)
Movement in Deferred Tax	-	-
Assets Written Off	-	-
Movement in Gratuities	(3)	26
	1,544	1,910
Movements in Working Capital Items		
(Increase)/Decrease Accounts Receivable	(217)	140
Increase/(Decrease) Accounts Payable	(713)	795
	(930)	935
Items Classified as Investing Activities		
Gain on Sale of Assets	-	-
Loss on Sale of Assets	-	-
	-	-
Net Cash Inflow from Operations	5,015	5,781

13. Financial Instruments

Credit Risk: Financial instruments which potentially subject the company to concentrations of credit risk principally relate to bank deposits and receivables. Bank deposits are placed with high credit quality financial institutions. Concentrations of credit risk with respect to Receivables are subject to normal terms of trade. Regular monitoring of receivables is undertaken.

Foreign Exchange and Currency Instruments: The Company is not exposed to foreign exchange or currency risk.

Off-Balance Sheet Financial Instruments: The Company does not have any off-balance sheet financial instruments.

Fair Values: The fair value of the on-balance sheet financial instruments are represented by the carrying values.

14. Commitments and Contingent Liabilities

There are no significant capital commitments or contingent liabilities as at 31 March 2003 (2002, Nil).

15. Significant Events After Balance Date

There are no events subsequent to the balance date that would have or may have an effect on the operation of MainPower, the results of MainPower's operations or the state of the affairs of MainPower.

16. Segmental Reporting

The predominant activity of MainPower is the distribution of electricity. All operations are conducted within New Zealand.

MAINPOWER NEW ZEALAND LTD

**DISCLOSURE OF FINANCIAL PERFORMANCE MEASURES AND
EFFICIENCY PERFORMANCE MEASURES PURSUANT TO
REGULATION 15 AND PART III OF THE FIRST SCHEDULE OF THE
ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1999 (AS AMENDED)**

	For The Year Ended 31 March	2003	2002	2001	2000
1.	Financial Performance Measures				
	As defined in the Electricity (Information Disclosure) Regulations 1999 (as amended):				
a)	Return on Funds	6.00%	3.96%	2.84%	1.52%
b)	Return on Equity	4.60%	3.12%	1.87%	0.80%
c)	Return on Investment	(0.39)%	3.11%	4.75%	0.75%
2	Efficiency Performance Measures				
a)	Direct line costs per kilometre:	\$748	\$643	\$732	\$724
b)	Indirect line costs per customer:	\$ 63	\$63	\$53	\$49

SCHEDULE 1 - PART 7

FORM FOR THE DERIVATION OF FINANCIAL PERFORMANCE MEASURES FROM FINANCIAL STATEMENTS

Derivation Table March 2003	Input and Calculations	Symbol in formula	ROF		ROE		ROI	
Operating surplus before interest and income tax from financial statements	5,722							
Operating surplus before interest and income tax adjusted pursuant to regulation 18 (OSBIT)	5,722							
Interest on cash, bank balances, and shortterm investments (ISTI)	264							
OSBIT minus ISTI	5,438	a		5,438			5,438	
Net surplus after tax from financial statements	4,401							
Net surplus after tax adjusted pursuant to regulation 18 (NSAT)	4,401	n			4,401			
Amortisation of goodwill and amortisation of other intangibles	0	g	add	0	add	0	add	
Subvention payment	0	s	add	0	add	0	add	
Depreciation of SFA at BV (x)	3,895							
Depreciation of SFA at ODV (y)	3,895							
ODV depreciation adjustment	0	d	add	0	add	0	add	
Subvention payment tax adjustment	0	s't			deduct	0	deduct	
Interest tax shield	-94	q				deduct	-94	
Revaluations	-4,578	r				add	-4,578	
Income tax	1,321	p				deduct	1,321	
Numerator				5,438		4,401	-367	
				OSBIT ^{ADJ} = a + g + s + d		NSAT ^{ADJ} = n + g + s - s't + d		OSBIT ^{ADJ} = a + g - q + r + s + d - p - s't
Fixed assets at end of previous financial year (FA ₀)	91,801							
Fixed assets at end of current financial year (FA ₁)	90,343							
Adjusted net working capital at end of previous financial year (ANWC ₀)	-1,079							
Adjusted net working capital at end of current financial year (ANWC ₁)	277							
Average total funds employed (ATFE)	90,871	c		90,871			90,871	
				(or regulation 33 time-weighted average)				
Total equity at end of previous financial year (TE ₀)	95,717							
Total equity at end of current financial year (TE ₁)	95,540							
Average total equity	95,629	k			95,629			
				(or regulation 33 time-weighted average)				
WUC at end of previous financial year (WUC ₀)	0							
WUC at end of current financial year (WUC ₁)	0							
Average total works under construction	0	e	deduct	0	deduct	0	deduct	
				(or regulation 33 time-weighted average)				
Revaluations	-4,578	r						
Half of revaluations	-2,289	r/2				deduct	-2,289	
Intangible assets at end of previous financial year (IA ₀)	0							
Intangible assets at end of current financial year (IA ₁)	0							
Average total intangible asset	0	m			add	0		
				(or regulation 33 time-weighted average)				
Subvention payment at end of previous financial year (S ₀)	0							
Subvention payment at end of current financial year (S ₁)	0							
Subvention payment tax adjustment at end of previous financial year	0							
Subvention payment tax adjustment at end of current financial year	0							
Average subvention payment & related tax adjustment	0	v			add	0		
System fixed assets at end of previous financial year at book value (SFA _{bo,0})	91,038							
System fixed assets at end of current financial year at book value (SFA _{bo,1})	89,828							
Average value of system fixed assets at book value	90,332	f	deduct	90,332	deduct	90,332	deduct	
				(or regulation 33 time-weighted average)				
System Fixed assets at year beginning at ODV value (SFA _{odv,0})	91,038							
System Fixed assets at end of current financial year at ODV value (SFA _{odv,1})	89,828							
Average value of system fixed assets at ODV value	90,332	h	add	90,332	add	90,332	add	
				(or regulation 33 time-weighted average)				
Denominator				90,871		95,629	92,960	
				ATFE ^{ADJ} = c - e - f + h		Ave TE ^{ADJ} = k - e - m + v - f + h		ATFE ^{ADJ} = c - e - 1/2r - f + h
Financial Performance Measure:				6.00		4.60	-0.39	
				ROF = OSBIT ^{ADJ} /ATFE ^{ADJ} x 100		ROE = NSAT ^{ADJ} /ATFE ^{ADJ} x 100		ROI = OSBIT ^{ADJ} /ATFE ^{ADJ} x 100

l = maximum statutory income tax rate applying to corporate entities bv = book value ave = average odv = optimised deprival valuation subscript '0' = end of the previous financial year
 subscript '1' = end of the current financial year ROF = return on funds ROE = return on equity ROI = return on investment

Annual Valuation Reconciliation Report

	2003	2002
	\$000	\$000
System fixed assets - at 1 April	91,038	87,361
System fixed assets acquired during the year at cost	7,060	7,659
System fixed assets disposed of during the year at ODV	-	-
Depreciation on system fixed assets at ODV	(3,894)	(3,982)
Revaluations of system fixed assets	(4,578)	-
System fixed assets – at 31 March	<u>\$89,626</u>	<u>\$91,038</u>

MAINPOWER NEW ZEALAND LTD

DISCLOSURE OF ENERGY EFFICIENCY PERFORMANCE MEASURES AND STATISTICS
PURSUANT TO REGULATION 21 AND PART IV OF THE FIRST SCHEDULE OF THE
ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1999 (AS AMENDED)

For the Year Ended 31 March	2003	2002	2001	2000
1. Energy Delivery Efficiency Performance Measures				
(a) Load Factor				
<u>Electrical energy entering the distribution system</u> Maximum demand * Hours per year	62.00%	63.84%	68.77%	59.09%
(b) Loss Ratio				
<u>Distribution losses</u> Energy entering the system	5.90%	6.02%	5.84%	5.28%
(c) Capacity Utilisation				
<u>Maximum demand</u> Total transformer capacity	28.25%	26.54%	27.30%	29.80%

2. Statistics**(a) System length, by voltage:**

Voltage	Circuit Length Kms			
	2003	2002	2001	2000
400/230	583	830	734	675
11000	3161	3,211	3,260	3,186
33000	309	286	270	274
Total	4053	4,327	4,264	4,135

(b) Circuit length of overhead electric lines, by voltage:

Voltage	Circuit Length Kms			
	2003	2002	2001	2000
400/230	284	427	424	425
11000	3056	3,116	3,163	3,093
33000	307	284	268	272
Total	3647	3,827	3,855	3,790

(c) Circuit length of underground electric lines, by voltage:

Voltage	Circuit Length Kms			
	2003	2002	2001	2000
400/230	299	403	310	250
11000	105	95	97	93
33000	2	2	2	2
Total	406	500	409	345

For the Year Ended 31 March	2003	2002	2001	2000
(d) Transformer capacity, (kilovolt amperes):	274,560kVA	257,475kVA	247,220kVA	229,010kVA
(e) Maximum demand (Kilowatts):	77,576kW	68,342kW	67,502kW	68,232kW
(f) Total electricity entering into the system, before losses of electricity (Kilowatt hours):	421,312,647	382,191,173	406,682,882	353,200,893
(g) Total amount of electricity supplied from the system, after losses of electricity on behalf of energy retailers (Kilowatt hours):				
Retailer A	272,241,665	238,037,318	271,701,870	243,137,083
Retailer B	11,866,784	26,432,514	47,800,513	83,244,329
Retailer C	108,195,832	88,200,962	47,931,809	1,841,671
Retailer D	1,324,564	3,044,717	2,882,470	2,045,703
Retailer E	249,519	1,264,321	10,226,885	217,663
Retailer F	2,576,003	2,213,909	2,360,221	784,640
Retailer G	-	-	8,891	1,242,636
Retailer H	-	-	-	62,973
Total	<u>396,454,367</u>	<u>359,193,741</u>	<u>382,912,659</u>	<u>332,576,778</u>
(h) Total customers	25,997	25,047	25,638	24,140

MAINPOWER NEW ZEALAND LTD

**A. DISCLOSURE RELIABILITY PERFORMANCE MEASURES TO BE DISCLOSED BY LINE OWNERS
(OTHER THAN TRANS POWER) PURSUANT TO REGULATION 22 AND PART V OF THE FIRST
SCHEDULE OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1999
(AS AMENDED)**

For The Year Ended 31 March 2003

- A1. Total number of interruptions, together with a breakdown of that total according to interruption class.

NETWORK OR GENERATION OWNER	Disc Reg Class	CLASSIFICATION OF INTERRUPTIONS	
MainPower	B	Planned Shut-downs	167
	C + G	Unplanned Interruptions	102
		Subtotal	269
Trans Power	A	Planned Shut-downs	2
	D	Unplanned Interruptions	3
	Subtotal	5	
Other Other	G	Other Interruptions	
	E	Unplanned Interruptions	
		Subtotal	
		TOTAL	274

- A2. Interruption targets for the following financial year for-
 (a) Planned interruptions by the line owner (Class B); and
 (b) Unplanned interruptions originating within the works of the line owner (Class C).
- A3. Average interruption targets for the following financial year and the subsequent 4 financial years for each of-
 (a) Planned interruptions by the line owner (Class B); and
 (b) Unplanned interruptions originating within the works of the line owner (Class C).

	Class B Interruptions	Class C Interruptions
Target 31/03/2004	150	90
31/03/2004 Avg forecast	140	85
31/03/2005 Avg forecast	120	80
31/03/2006 Avg forecast	130	82
31/03/2007 Avg forecast	130	75
31/03/2008 Avg forecast	125	77

- A4. The proportion {expressed as a percentage} of the total number of Class C interruptions not restored within-
 (a) 3 hours and;
 (b) 24 hours.

Not restored within 3 hours- % of Class C	Not restored within 24 hours- % of Class C
4.6%	0%

- A5. With respect to faults per 100 circuit kilometers of prescribed voltage electric line, the following information:
 (a) The total number of faults; and
 (b) The total number of faults targeted for the following financial year; and
 (c) The average total number of faults for that financial year and the subsequent 4 financial years; and
 (d) A breakdown of the fault information in accordance with paragraphs (a) to (c) by different nominal line voltages.
- A6. The total number of faults per 100 circuit kilometres of underground prescribed voltage electric line, together with a breakdown of that total according to different nominal line voltages.
- A7. The total number of faults per 100 circuit kilometres of overhead prescribed voltage electric line, together with a breakdown of that total according to different nominal line voltages.

Nominal Voltage	Lines	Cable	Total
	Faults per 100 km	Faults per 100 km	Faults per 100 km
33 kV	0.35	0.00	0.34
11 kV	3.34	0.00	3.23
TOTALS	3.06	0.00	2.97

	Faults/100km	Faults/100km 33kV	Faults/100km 11kV
Target 31/03/2004	2.28	0.70	2.39
31/03/2004 Avg forecast	2.42	1.03	2.51
31/03/2005 Avg forecast	2.15	0.70	2.25
31/03/2006 Avg forecast	2.21	0.70	2.33
31/03/2007 Avg forecast	2.02	0.70	2.11
31/03/2008 Avg forecast	2.07	0.70	2.19

A8. The SAIDI, SAIFI, CAIDI for the total number of interruptions.

SAIDI targets for the following financial year for-

- (a) Planned interruptions by the line owner (Class B); and
 (b) Unplanned interruptions originating within the works of the line owner (Class C).

Average SAIDI targets for the following financial year and the subsequent 4 financial years for each of-

- (a) Planned interruptions by the line owner (Class B); and
 (b) Unplanned interruptions originating within the works of the line owner (Class C).

The SAIDI for the total number of interruptions within each interruption class.

NETWORK OR GENERATION OWNER	Disc Reg Class	CLASSIFICATION OF INTERRUPTIONS	SAIDI		SAIFI		CAIDI
			Numerator (Cust-min)	Result (min/Conn Cust)	Numerator (Cust-int)	Result (Int/Conn Cust)	Result (min/Cust int)
MainPower	B	Planned Shut-downs	1594843	60.83	6745	0.26	236.45
	C + G	Unplanned Interruptions	2041793	77.87	38204	1.46	53.44
		Subtotal	3636636	138.70	44949	1.72	80.91
Trans Power	A	Planned Shut-downs	1950255	74.38	5037	0.19	387.19
		Unplanned Interruptions	1868576	71.27	20754	0.79	90.03
	Subtotal	3818831	145.65	25791	0.98	148.07	
Other Other	G	Other Interruptions	0	0.00	0	0.00	0.00
	E	Unplanned Interruptions	0	0.00	0	0.00	0.00
Subtotal			0	0.00	0	0.00	0.00
TOTAL			7455467	284.35	70740	2.70	105.39
Common Denominator = No of Cust.			26219.5				

Class B	SAIDI	SAIFI	CAIDI
Target 31/03/2004	61	0.41	254
31/03/2004 Avg forecast	81	0.32	252
31/03/2005 Avg forecast	94	0.33	285
31/03/2006 Avg forecast	74	0.28	264
31/03/2007 Avg forecast	67	0.28	240
31/03/2008 Avg forecast	64	0.27	237

Class C	SAIDI	SAIFI	CAIDI
Target 31/03/04	47	0.99	48
31/03/2004 Avg forecast	40	0.63	64
31/03/2005 Avg forecast	35	0.55	64
31/03/2006 Avg forecast	33	0.53	62
31/03/2007 Avg forecast	31	0.50	62
31/03/2008 Avg forecast	33	0.52	64

B. RELIABILITY PERFORMANCE MEASURES (1999 REGULATIONS)

B1. Total number of interruptions, together with a breakdown of that total according to interruption class.

Interruption Class		Number of Interruptions			
		2003	2002	2001	2000
MainPower	Planned Shut-Down (Class B)	167	154	94	106
	Unplanned Interruption (Class C)	102	74	191	189
Trans Power	Planned Shut-Down (Class A)	3	3	-	1
	Unplanned Interruption (Class D)	3	-	-	1
Generation	Unplanned Interruption (Class E)	-	-	-	-
Generation Other	Unplanned Interruption (Class F)	-	-	-	-
Other	Other Interruptions (Class G)	-	-	-	-
	Unplanned Interruption (Class G)	-	-	-	-
Total	Interruptions	275	231	285	297

B2. The total number of faults per 100 circuit kilometres of prescribed voltage electric line.

2.97 faults 2.03 faults 5.51 faults 4.27 faults

B3. The total number of faults per 100 circuit kilometres of underground prescribed voltage electric line, together with a breakdown of that total according to different nominal line voltages.

Nominal Voltage	Faults per 100 km			
	2003	2002	2001	2000
33 kV	-	-	-	-
11 kV	-	3.15	5.30	7.89
TOTAL	-	3.08	5.19	7.69

B4. The total number of faults per 100 circuit kilometres of overhead prescribed voltage electric line, together with a breakdown of that total according to different nominal line voltages.

Nominal Voltage	Faults per 100 km			
	2003	2002	2001	2000
33 kV	0.35	1.41	1.79	0.75
11 kV	3.34	2.06	5.53	5.86
TOTAL	3.06	2.01	5.65	5.45

B5. The SAIDI for the total of interruptions:

284.35 213.73 116.94 204.71

B6. The SAIDI for the total number of interruptions within each interruption class:

Network or Generation Owner	Classification	Minutes per Connected Customer			
		2003	2002	2001	2000
MainPower	Planned Shut-Down (Class B)	60.83	108.62	60.48	22.06
	Unplanned Interruption (Class C)	77.87	52.12	91.48	71.55
Trans Power	Planned Shut-Down (Class A)	74.38	52.98	-	22.27
	Unplanned Interruption (Class D)	71.27	-	-	1.06
Generation	Unplanned Interruption (Class E)	-	-	-	-
Generation Other	Unplanned Interruption (Class F)	-	-	-	-
Other	Other Interruptions (Class G)	-	-	-	-
	Unplanned Interruption (Class G)	-	-	-	-

B7. The SAIFI for the total number of interruptions:

2.70 1.45 2.08 1.77

B8. The SAIFI for the total number of interruptions within each interruption class:

Network or Generation Owner	Classification	Interruption per Connected Customer (%)			
		2003	2002	2001	2000
MainPower	Planned Shut-Down (Class B)	0.26	0.37	0.27	0.12
	Unplanned Interruption (Class C)	1.46	0.87	1.81	1.54
Trans Power	Planned Shut-Down (Class A)	0.19	0.21	-	0.07
	Unplanned Interruption (Class D)	0.79	-	-	0.05
Generation	Unplanned Interruption (Class E)	-	-	-	-
Generation Other	Unplanned Interruption (Class F)	-	-	-	-
Other	Other Interruptions (Class G)	-	-	-	-
	Unplanned Interruption (Class G)	-	-	-	-

B9. The CAIDI for the total of all interruptions:

105.39 147.82 73.16 65.99

B10. The CAIDI for the total number of interruptions within each interruption class:

Network or Generation Owner	Classification	Minutes per Customer Interruption			
		2003	2002	2001	2000
MainPower	Planned Shut-Down (Class B)	236.45	297.04	224.48	177.56
	Unplanned Interruption (Class C)	53.44	59.67	50.61	46.61
Trans Power	Planned Shut-Down (Class A)	387.19	256.28	-	333.00
	Unplanned Interruption (Class D)	90.03	-	-	23.05
Generation	Unplanned Interruption (Class E)	-	-	-	-
Generation Other	Unplanned Interruption (Class F)	-	-	-	-
Other	Other Interruptions (Class G)	-	-	-	-
	Unplanned Interruption (Class G)	-	-	-	-


FORM 5

CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES, AND STATISTICS DISCLOSED BY LINE OWNERS (OTHER THAN TRANS POWER) PURSUANT TO REGULATION 32 AND SCHEDULE 3 OF THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1999 (AS AMENDED)

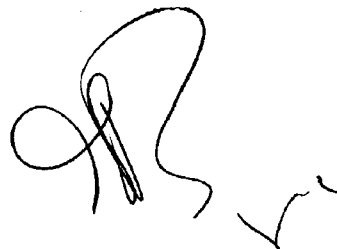
We, P A COX and A BERGE directors of MainPower New Zealand Limited certify that, having made all reasonable enquiry, to the best of our knowledge:

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

The valuations on which those financial performance measures are based are as at 31 March 2003.



P A COX
Director
14 August 2003



A BERGE
Managing Director

**Deloitte
Touche
Tohmatsu**

AUDIT REPORT

TO THE READERS OF THE FINANCIAL STATEMENTS OF MAINPOWER NEW ZEALAND LIMITED

We have audited the financial statements on pages 1 to 10 of MainPower New Zealand Limited. The financial statements provide information about the past financial performance of MainPower New Zealand Limited and its financial position as at 31 March 2003. This information is stated in accordance with the accounting policies set out on pages 1 to 2.

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 MainPower New Zealand Limited as at 31 March 2003 and of the results of its 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 Board of 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 MainPower New Zealand Limited'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 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.

Other than in our capacity as auditor and the provision of financial advice, we have no relationship with or interests in MainPower New Zealand Limited.

Unqualified Opinion

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

In our opinion:

- proper accounting records have been maintained by MainPower New Zealand Limited as far as appears from our examination of those records; and
- the financial statements on pages 1 to 10:
 - comply with generally accepted accounting practice and;
 - give a true and fair view of the financial position of MainPower New Zealand Limited as at 31 March 2003 and the results of its operations and cash flows for the year then ended and;
 - comply with the Electricity (Information Disclosure) Regulations 1999.

Our audit was completed on 14 August 2003 and our unqualified opinion is expressed as at that date.

Deloitte Touche Tohmatsu

Chartered Accountants
Christchurch, New Zealand.

**Deloitte
Touche
Tohmatsu**

AUDITORS' OPINION OF PERFORMANCE MEASURES OF MAINPOWER NEW ZEALAND LIMITED

We have examined the attached information, being-

- (a) the derivation table in Regulation 16 on page 12; and
- (b) the annual ODV reconciliation report in regulation 16A on page 13; and
- (c) the financial performance measures in clause 1 of Part 3 of Schedule 1 on page 11; and
- (d) the financial components of the efficiency performance measures in clause 2 of Part 3 of Schedule 1 on page 11,-

that were prepared by MainPower New Zealand Limited and dated 14 August 2003 for the purposes of regulation 15 of the Electricity (Information Disclosure) Regulations 1999.

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.

Deloitte Touche Tohmatsu

Chartered Accountants
Christchurch, New Zealand.



PricewaterhouseCoopers
188 Quay Street
Private Bag 92162
Auckland, New Zealand
DX CP24073
Telephone +64 9 355 8000
Facsimile +64 9 355 8000

CERTIFICATION BY AUDITOR IN RELATION TO VALUATION

We have examined the valuation report of MainPower Limited and dated 8 August 2003, which report contains valuations of system fixed assets as at 31 March 2003.

In our opinion, having made all reasonable enquiry, to the best of our knowledge, the valuations contained in the report, including the total valuation of system fixed assets of \$89,625,975, have been made in accordance with the ODV Handbook.

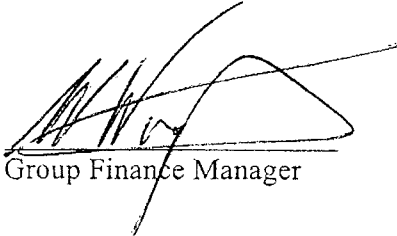
A handwritten signature in cursive script that reads "PricewaterhouseCoopers". A horizontal line is drawn underneath the signature.

PricewaterhouseCoopers
Chartered Accountants
Auckland
14 August 2003

STATUTORY DECLARATION IN RESPECT OF STATEMENTS AND INFORMATION
SUPPLIED TO SECRETARY OF COMMERCE PURSUANT TO REGULATIONS 37 OF
THE ELECTRICITY (INFORMATION DISCLOSURE) REGULATIONS 1999
(AS AMENDED)

I, WARREN MATTHEW WRIGHT, of MainPower New Zealand Limited, being the Group Finance Manager of MainPower New Zealand 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 (as amended).

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



Group Finance Manager

Declared at Rangiora this 27th day of August 2003



B. R. HASSALL
RANGIORA
JUSTICE OF THE PEACE
FOR NEW ZEALAND