SUPPLEMENT TO

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EASTLAND NETWORK LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO
SECTION 57T OF THE COMMERCE ACT 1986

CERTIFICATION OF FINANCIAL STATEMENTS, PERFORMANCE MEASURES, AND STATISTICS DISCLOSED BY EASTLAND NETWORK LIMITED

We, Trevor William Taylor and Roger Neil Taylor, directors of Eastland Network Ltd certify that, having made all reasonable enquiry, to the best of our knowledge, -

(a) The attached audited financial statements of Eastland Network Ltd, prepared for the purposes of requirement 6 of the Commerce Commission's Electricity Information Disclosure Requirements 2004 comply with those Requirements; 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 Eastland Network Limited, and having been prepared for the purposes of requirements 15, 16, 20 and 21 of the Electricity Information Disclosure Requirements 2004, comply with those Requirements.

The valuations on which those financial performance measures are based are as at 31 March 2004.

.... Director

.... Director

Dated this 26th day of August 2005.

Statement of financial performance
For the year ended 31 March 2005

	Note	2005 $'000	2004 $'000
Operating Revenue	2	23,349	22,518
Operating Expenses	3	14,542	13,851
Earnings before Interest and Tax		8,807	8,667
Interest Expense	4	2,972	2,748
Net Surplus before Taxation		5,835	5,919
Taxation	5	2,209	1,616
Net Surplus after Taxation		3,626	4,303

Statement of movements in equity
For the year ended 31 March 2005

	Note	2005 $'000	2004 $'000
Total equity at beginning of year		36,957	33,707
Net surplus after taxation		3,626	4,303
Increase (decrease) in value of fixed assets recognised in equity			
System Assets		11,992	-
Land and Buildings		17	192
Total recognised revenues and expenses		15,635	4,495
Dividends paid		4,475	1,245
Distributions to owners		4,475	1,245
Total equity at end of year	7	48,117	36,957

Statement of financial position
As at 31 March 2005

	Note	2005 $'000	2004 $'000
Current Assets			
Cash		1,327	654
Receivables and prepayments	10	2,438	2,573
Inventories		2	6
Total Current Assets		3,767	3,233
Non-current Assets			
Property, plant & equipment	9	94,371	77,704
Total non-current assets		94,371	77,704
Total Assets		**98,138**	**80,937**
Current Liabilities			
Payables and accruals	11	3,939	2,489
Total Current Liabilities		3,939	2,489
Non-current Liabilities			
Bank Borrowings	12	33,800	30,150
Deferred Tax	6	2,282	1,341
Capital Notes		10,000	10,000
		46,082	41,491
Total Liabilities		**50,021**	**43,980**
Net Assets		**48,117**	**36,957**
Total Equity	7	**48,117**	**36,957**

Statement of cash flows
For the year ended 31 March 2005

	Note	2005 $'000	2004 $'000
Cash flows from (used in) operating activities			
Cash provided from:			
Receipts from customers		23,444	22,876
Interest Received		69	127
		23,513	23,003
Cash applied to:			
Payments to suppliers and employees		(10,970)	(12,926)
Interest paid		(2,917)	(2,802)
Income Tax paid		(1,155)	(847)
Net GST		(18)	71
		(15,060)	(16,504)
Net cash flows from (used in) operating activities	13	8,453	6,499
Cash flows from (used in) investing activities			
Cash provided from:			
Disposal of fixed assets		14	9
Cash applied to:			
Acquisition of fixed assets		(6,969)	(6,955)
Net cash flows from (used in) investing activities		(6,955)	(6,946)
Cash Flows from (to) financing activities			
Cash provided from:			
Proceeds of borrowings		3,650	950
Cash applied to:			
Dividends paid to shareholders of the Company		(4,475)	(1,245)
Net cash flows from (to) financing activities		(825)	(295)
Net increase (decrease) in cash held		673	(742)
Add opening cash brought forward		654	1,396
Ending cash carried forward		1,327	654

Notes to the financial statements
For the year ended 31 March 2005

1) Statement of accounting policies

Basis of Preparation

The financial statements prepared are the consolidation of the electricity lines businesses of Eastland Network Limited and Eastland Infrastructure Limited (the management company owned by the shareholder of Eastland Network Limited). Both companies are registered under the Companies Act 1993 and are reporting entities for the purposes of the Financial Reporting Act 1993.

The financial statements have been completed in accordance with Commerce Commission's Electricity Information Disclosure Requirements 2004.

Measurement base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed, with the exception that certain property has been revalued.

Specific accounting policies

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

(A) Fixed Assets

Owned Assets

Fixed assets are initially stated at cost and depreciated as outlined below. Where appropriate, the cost of fixed assets includes site preparation costs, installation costs, and the cost of obtaining resource consents.

Leased Assets

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets acquired by way of finance lease are stated at an amount equal to the present value of the future minimum lease payments, and are depreciated as outlined below.

Revaluations

Land and buildings are stated at valuation as determined, on a cyclical basis not exceeding three years by an independent valuer. The basis of valuation is market value less the estimated costs of disposal, on an existing use basis.

Notes to the financial statements (continued)
For the year ended 31 March 2005

Network assets are stated at valuation as determined, on a cyclical basis not exceeding five years. The basis of valuation is optimised depreciated replacement cost, as reviewed by an independent engineering consultant.

Any surplus on revaluation is transferred directly to equity unless it offsets a previous decrease in value recognised in the statement of financial performance, in which case it is recognised in the statement of financial performance. A decrease in value is recognised in the statement of financial performance where it exceeds the surplus previously transferred to equity.

Disposal of Fixed Assets

Where a fixed asset is disposed of, the profit or loss recognised in the statement of financial performance is calculated as the difference between the sale price and the carrying value of the fixed asset.

Depreciation

Depreciation is calculated on a straight line basis to allocate the cost or revalued amount of an asset, less any residual value, over its useful life.

Major depreciation periods are:

Buildings	40 – 100 years
Distribution System	10 – 60 years
Motor Vehicles	5 – 10 years
Plant & Equipment	5 – 15 years

(B) Receivables

Receivables are stated at estimated realisable value after providing against debts where collection is doubtful.

(C) Inventories

Inventories are stated at the lower of cost or net realisable value. The estimated costs of marketing, selling and distribution are deducted in calculating net realisable value.

Cost is determined on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition and location.

(D) Taxation

The income tax expense charged to the statement of financial performance includes both the current year's provision and the income tax effect of timing differences calculated using the liability method.

Notes to the financial statements (continued)
For the year ended 31 March 2005

Tax effect accounting is applied on a comprehensive basis to all timing differences. A debit balance in the deferred tax account arising from timing differences or income tax benefits from income tax losses, is only recognised if there is virtual certainty of realisation.

(E) Financial instruments

The Company is party to financial instruments as part of its normal operations. These financial instruments include bank accounts, investments, accounts receivable, accounts payable and term borrowings. All financial instruments are recognised in the statement of financial position and all revenues in relation to financial instruments are recognised in the statement of financial performance.

Except for those items covered by a separate accounting policy, all financial instruments are shown at their fair value.

(F) Employee Entitlements

A liability for annual leave and long service leave is accrued and recognised in the statement of financial position. The liability is calculated on an actual entitlement basis.

(G) Foreign Currency Transactions

Transactions denominated in foreign currencies are translated into the reporting currency using the exchange rate in effect at the transaction date.

Monetary items receivable or payable in a foreign currency, other than those resulting from short term transactions covered by forward exchange contracts, are translated at balance date at the closing rate. For transactions covered by short term forward exchange contracts, the rates specified in those contracts are used as the basis for measuring and reporting the transaction.

Exchange differences on foreign currency balances are recognised in the Statement of Financial Performance.

(H) Changes in Accounting Policies

There have been no changes in accounting policies. All Policies have been applied on bases consistent with those in the prior year.

Notes to the financial statements (continued)
For the year ended 31 March 2005

			2005 $'000	2004 $'000
2		**Operating revenue**		
(a)		Revenue from line/access charges:	21,888	19,872
(b)		Revenue from "Other" business for services carried out by the line business (transfer payment):	166	167
(c)		Interest on cash, bank balances and short term investments:	252	127
(d)		AC loss-rental rebates:	735	2,061
(e)		Other revenue not listed in (a) to (d):	308	291
(f)		**Total operating revenue**	23,349	22,518
3		**Operating expenditure**		
(a)		Payment for transmission charges	5,409	5,731
(b)		Transfer payments to the "Other" business for:	-	-
	(i)	*Asset maintenance:*	-	-
	(ii)	*Consumer disconnection/reconnection services:*	-	-
	(iii)	*Meter data:*	-	-
	(iv)	*Consumer-based load control services:*	-	-
	(v)	*Royalty and patent expenses:*	-	-
	(vi)	*Avoided transmission charges on account of own generation*	*1,282*	*913*
	(vii)	*Other goods and services not listed in (i) to (vi) above*	-	-
	(viii)	**Total transfer payment to the "Other" business**	1,282	913
(c)		Expense to entities that are not related parties for:		
	(i)	*Asset maintenance:*	*1,774*	*1,771*
	(ii)	*Consumer disconnection/reconnection services*	-	-
	(iii)	*Meter data*	-	-
	(iv)	*Consumer-based load control services*	-	-
	(v)	*Royalty and patent expenses*	-	-
	(vi)	Total of specified expenses to non-related parties (sum of (i) to (v))	1,774	1,771
(d)		Employee salaries, wages and redundancies	928	1,053
(e)		Consumer billing and information system expense	139	45
(f)		Depreciation on:	-	-
	(i)	*System fixed assets:*	*2,632*	*2,641*
	(ii)	*Other assets not listed in (i)*	*347*	*359*
	(iii)	**Total depreciation**	2,979	3,000
(g)		Amortisation of:		
	(i)	Goodwill:	-	-
	(ii)	Other intangibles:	-	-
	(iii)	**Total amortisation of intangibles**	-	-

Notes to the financial statements (continued)

For the year ended 31 March 2005

(h)		Corporate and administration:	540	395
(i)		Human resource expenses:	106	108
(j)		Marketing/advertising:	6	11
(k)		Merger and acquisition expenses:	-	-
(l)		Takeover defence expenses:	-	-
(m)		Research and development expenses:	-	-
(n)		Consultancy and legal expenses:	205	384
(o)		Donations:	-	-
(p)		Directors' fees:	193	149
(q)		Auditors' fees:	-	-
	(i)	Audit fees paid to principal auditors:	*37*	*36*
	(ii)	Audit fees paid to other auditors:	-	-
	(iii)	Fees paid for other services provided by principal and other auditors:	-	-
	(iv)	**Total auditors' fees:**	37	36
(r)		Costs of offering credit:		
	(i)	Bad debts written off:	*18*	-
	(ii)	Increase in estimated doubtful debts:	-	-
	(iii)	**Total cost of offering credit:**	18	-
(s)		Local authority rates expense:	107	42
(t)		AC loss-rentals (distribution to retailers/customers) expense:	661	-
(u)		Rebates to consumers due to ownership interest:	-	-
(v)		Subvention payments:	-	-
(w)		Unusual expenses:	-	-
(x)		Other expenditure not listed in (a) to (w)	158	213
		Total operating expenditure	14,542	13,851

4 Interest expense

(a)	Interest expense on borrowings	2,972	2,748
(b)	Financing charges related to finance leases	-	-
(c)	Other interest expense	-	-
(d)	**Total interest expense**	2,972	2,748

Notes to the financial statements (continued)
For the year ended 31 March 2005

		Note	2005 $'000	2004 $'000
5	**Taxation**			
	Profit before taxation		5,835	5,919
	Prima facie taxation at 33 %		1,925	1,953
	Add (subtract) tax effect of permanent differences		284	(337)
	Income tax expense		2,209	1,616
	Income Tax expense is made up of			
	Current Taxation		1,268	738
	Deferred Taxation		941	878
			2,209	1,616
6	**Deferred Taxation**			
	Balance at beginning of year		(1,341)	(463)
	Recognised in the statement of financial performance		(941)	(878)
	Balance at end of year		(2,282)	(1,341)
7	**Shareholders Equity**			
	Paid in share capital		5,573	5,573
	Asset revaluation reserve	8	30,474	18,465
	Other equity		12,070	12,919
			48,117	36,957
8	**Asset revaluation reserve**			
	Balance at beginning of year		18,465	18,273
	Revaluation current year			
	System Assets		11,992	
	Land and Buildings		17	192
			30,474	18,465

Notes to the financial statements (continued)
For the year ended 31 March 2005

	2005 $'000	2004 $'000
9 Fixed assets		
System fixed assets at valuation	90,126	80,741
Less accumulated depreciation	(2,747)	(6,511)
	87,379	74,230
Customer billing & information system assets at cost	1,511	996
Less accumulated depreciation	(1,070)	(518)
	441	478
Motor vehicles at cost	175	279
Less accumulated depreciation	(125)	(168)
	50	111
Office equipment at cost	256	296
Less accumulated depreciation	(181)	(215)
	75	81
Land & buildings at cost	-	-
Land and buildings at valuation	1,456	1,464
Less accumulated depreciation	(48)	(36)
	1,408	1,428
Capital works under construction at cost	4,873	1,206
Other plant and equipment at cost	538	575
Less accumulated depreciation	(393)	(405)
	145	170
Total fixed assets	94,371	77,704

Valuation

Revalued freehold land and buildings on hand at balance date are stated at net current value as determined by an independent registered valuer Roger Kelly ANZIV of the firm Valuation & Property Services in February 2005.

Network assets have been valued at Optimised Depreciated Replacement Cost as confirmed by Kerslake and Partners, Consulting Engineers, as at 31 March 2004.

Capitalised Interest

The Capital works programme undertaken during the year was partly financed from borrowings. Interest incurred on these borrowing during the period of construction has been capitalised being recognition that borrowing cost was part of the cost of the resulting assets. The total amount of interest capitalised in this manner is $161,933.

Notes to the financial statements (continued)
For the year ended 31 March 2005

		2005 $'000	2004 $'000
10	**Receivables**		
	Trade Debtors	2,303	1,895
	Other receivables	135	271
	Income Tax refundable	-	407
	Total Receivables	2,438	2,573
11	**Creditors and Borrowings**		
	Current		
	Trade Creditors	3,209	1,992
	Interest payable	323	268
	Income Tax payable	144	-
	Employee provisions	263	229
		3,939	2,489
	Non Current		
	Bank loans unsecured	33,800	30,150

12 Bank Loans

The Company has a credit line with ASB Bank for $40 million. This credit line is unsecured, but subject to a Deed of Negative Pledge. $800,000 of this facility is utilised by the "Non Lines" business (2004 $800,000). The facility is initially for a period of 5 years from 28 July 2001. Borrowings are rolled over on either 3 monthly or on a call basis. The Company has a policy of hedging interest rates and currently has interest rate cover of $33 million for various periods up to 5 years.

Average rate of fixed Rate cover at 31 March 2005 is 6.54%.

Notes to the financial statements (continued)
For the year ended 31 March 2005

13 Net Cash Flow from Operating Activities

The following is a reconciliation between the surplus after taxation shown in the statement of financial performance and the net cash flow from operating activities.

	2005 $'000	2004 $'000
Surplus after taxation	3,626	4,303
Add/(less) items classified as investing/financing activities		
Capitalised interest on constructed assets	(182)	-
Loss/(gain) on sale of other non current assets	4	57
	(178)	57
Add/(less) non-cash items		
Depreciation	2,979	3,000
Decrease in future tax benefit	941	878
	3,920	3,878
Add/(less) movement in working capital		
Decrease/(increase) in trade debtors and other receivables	(311)	123
Decrease/(increase) in inventories	3	19
(Decrease)/increase in trade creditors And other payables	1,393	(1,881)
	1,085	(1,739)
Net cash flow from operations	8,453	6,499

14 Contingent Liability

At 31 March 2005, the Company has a contingent liability of $66,736 (2004 $92,289) in respect of Subdivision Developers' Rebates on sections that are reticulated but undeveloped. The individual liabilities will be brought to charge as each section is developed and line charges become payable.

Notes to the financial statements (continued)
For the year ended 31 March 2005

15 Commitments

There were no capital commitments not provided for at year end. The figure for 2004 was also nil.

16 Financial instruments

Credit risk
Financial assets which potentially subject the Company to a credit risk principally consist of bank balances and accounts receivable. The maximum credit risk is the book value of these financial instruments however, the Company considers the risk of non recovery of these amounts to be minimal.

Bank balances and investments in short term deposits are made with registered banks with satisfactory credit ratings. Exposure with any one financial institution is restricted in accordance with company policy.

Currency risk
The company had no material exposure to currency risk at 31 March 2005.

Interest risk
The interest rate risk is limited to bank borrowings. The Company has a policy of hedging interest rates and has hedges covering $33 million of borrowings for periods between two and five years at less than 7.5%.

Fair Values
The carrying value of cash and bank deposits, accounts receivable and accounts payable is equivalent to their fair value.

Notes to the financial statements (continued)
For the year ended 31 March 2005

17 Transactions with related parties

(a) Eastland Community Trust
Eastland Network Limited and Eastland Infrastructure Limited are 100% owned by Eastland Community Trust.

Other than payment of Interest on Capital Notes and the payment of dividends there have been no significant transactions between the Lines Business of the Companies and the Trust during the financial year.

(b) Eastland Port Limited
Eastland Port Limited is also 100% owned by Eastland Community Trust and the directors of the Companies are also directors of Eastland Port Limited.

Eastland Network Limited leases land from Eastland Port Limited for a substation. Lease payments are $280 per annum.

18 Financial and efficiency performance measures under Requirement 14 of the Commerce Commission's Electricity Information Disclosure Requirements 2004.

		2005	2004	2003	2002
1)	Financial performance measures				
	a) Return on funds	9.6	9.7	12.9	14.4
	b) Return on Equity	8.8	8.8	15.0	13.8
	c) Return on Investment	6.4	23.2	9.3	2.4
2)	Efficiency performance measures				
	a) Direct line costs per Kilometre	$675	$744	$646	$1,034
	b) Indirect line costs per electricity consumer	$70	$61	$67	$67

Annual Valuation Reconciliation Report
Year ended 31 March 2005

Systems fixed assets at ODV - end of the previous year		86,183,903
Add	system fixed assets acquired during the year at ODV	3,699,248
less	system fixed assets disposed of during year at ODV	14,183
less	depreciation on system fixed assets at ODV	2,668,561
Add	revaluations of system fixed assets	320,538
equals	system fixed assets at ODV - end of financial year	87,520,945

SCHEDULE 1 - PART 7

FORM FOR THE DERIVATION OF FINANCIAL PERFORMANCE MEASURES FROM FINANCIAL STATEMENTS

Derivation Table	Input and Calculations	Symbol in formula	ROF		ROE		ROI	
Operating surplus before interest and income tax from financial statements	8,807,065							
Operating surplus before interest and income tax adjusted pursuant to requirement 18 (OSBIIT)	8,807,065							
Interest on cash, bank balances, and short-term investments (ISTI)	251,749							
OSBIIT minus ISTI	8,555,316	a		8,555,316				8,555,316
Net surplus after tax from financial statements	3,625,590							
Net surplus after tax adjusted pursuant to requirement 18 (NSAT)	3,625,590	n				3,625,590		
Amortisation of goodwill and amortisation of other intangibles	0	g	add	0	add	0	add	0
Subvention payment	0	s	add	0	add	0	add	0
Depreciation of SFA at BV (x)	2,632,497							
Depreciation of SFA at ODV (y)	2,632,497							
ODV depreciation adjustment	0	d	add	0	add	0	add	0
Subvention payment tax adjustment	0	s*t			deduct	0	deduct	0
Interest tax shield	980,896	q					deduct	980,896
Revaluations	320,538	r					add	320,538
Income tax	2,209,063	p					deduct	2,209,063
Numerator				8,555,316		3,625,590		5,685,895
			$OSBIIT^{ADJ} = a + g + s + d$		$NSAT^{ADJ} = n + g + s - s*t + d$		$^{ADJ} = a + g - q + r + s + d - p - s*t$	
Fixed assets at end of previous financial year (FA_0)	77,703,585							
Fixed assets at end of current financial year (FA_1)	94,370,547							
Adjusted net working capital at end of previous financial year ($ANWC_0$)	90,129							
Adjusted net working capital at end of current financial year ($ANWC_1$)	-172,152							
Average total funds employed (ATFE)	85,996,055	c		85,996,055				85,996,055
	(or requirement 32 time-weighted average)							
Total equity at end of previous financial year (TE_0)	36,956,648							
Total equity at end of current financial year (TE_1)	48,042,745							
Average total equity	42,499,697	k				42,499,697		
	(or requirement 32 time-weighted average)							
WUC at end of previous financial year (WUC_0)	1,206,265							
WUC at end of current financial year (WUC_1)	4,809,625							

Average total works under construction	3,007,945	e	deduct	3,007,945	deduct	3,007,945	deduct	3,007,945
	(or requirement 32 time-weighted average)							
Revaluations	320,538	r						
Half of revaluations	160,269	r/2					deduct	160,269
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 requirement 32 time-weighted average)							
Subvention payment at end of previous financial year	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_{bv0})	74,204,603							
System fixed assets at end of current financial year at book value (SFA_{bv1})	87,377,644							
Average value of system fixed assets at book value	80,791,124	f	deduct	80,791,124	deduct	80,791,124	deduct	80,791,124
	(or requirement 32 time-weighted average)							
System Fixed assets at year beginning at ODV value (SFA_{odv0})	86,184,000							
System Fixed assets at end of current financial year at ODV value (SFA_{odv1})	87,520,945							
Average value of system fixed assets at ODV value	86,852,473	h	add	86,852,473	add	86,852,473	add	86,852,473
	(or requirement 32 time-weighted average)							
Denominator				89,049,459 $ATFE^{ADJ} = c - e - f + h$		45,553,101 $Ave\ TE^{ADJ} = k - e - m + v - f + h$		88,889,190 $ATFE^{ADJ} = c - e - ½r - f + h$
Financial Performance Measure:				9.6 $ROF = OSBIIT^{ADJ}/ATFE^{ADJ} \times 100$		8.0 $ROE = NSAT^{ADJ}/ATE^{ADJ} \times 100$		6.4 $ROI = OSBIIT^{ADJ}/ATFE^{ADJ} \times 100$

Efficiency Performance Measures (Schedule 1, Part 3)

	2005	2004	2003	2002
Direct line costs per kilometre	675	744	646	1,034
Direct expenditure	2,477,409	2,698,961	2,428,814	3,804,374
System length	3,671.80	3,629.30	3,758.25	3,678.51

	2005	2004	2003	2002
Indirect line costs per consumer	70	61	67	52
Indirect expenditure	1,733,061	1,507,781	1,695,627	1,716,912
Total consumers	24,856	24,876	25,264	25,552

Energy Delivery Efficiency Performance Measures (Schedule 1, Part 4

	2005	2004	2003	2002
Load Factor (= [a/bc]*100/1)	62.61%	62.68%	61.11%	58.06%
where -				
a = Kwh of electricity entering system during the financial year	306,333,406	296,456,944	296,908,821	290,305,891
(this figure should be same as the total for (g) from Statistics)				
b = Maximum Demand	55,699	53,847	55,463	57,077
c = Total number of hours in financial year	8784	8784	8760	8,760

	2005	2004	2003	2002
Loss Ratio (= a/b*100/1)	6.23%	7.58%	7.31%	7.32%
where -				
a = losses in electricity in kWh	19,075,488	22,467,161	21,712,954	21,250,391
(this figure should be the difference between (f) and (g) from Statistics)				
b = Kwh of electricity entering system during the financial year	306,333,406	296,456,944	296,908,821	290,305,891

	2005	2004	2003	2002
Capacity Utilisation (= a/b*100/1)	28.17%	28.23%	29.50%	25.37%
where -				
a = Maximum Demand	55,699	53,847	55,463	57,077
b = Transformer Capacity	197,711	190,763	188,006	224,970

Statistics (Schedule 1, Part 4)

Statistics	Nominal Voltage	2005	2004	2003	2002
System Length (Total) (kms)					
	50kV	293.91	293.30	254.24	258.33
	33kV	34.39	34.40	35.50	35.50
	11kV	2,573.62	2,575.65	2,620.27	2,637.41
	230/400 V	769.88	725.95	848.24	747.27
	Total	**3,671.80**	**3,629.30**	**3,758.25**	**3,678.51**
Circuit Length (Overhead) (kms)					
	50kV	293.91	293.30	254.24	258.33
	33kV	34.32	34.30	35.40	35.40
	11kV	2,448.80	2,453.65	2,502.40	2,532.90
	230/400 V	573.18	538.40	660.34	594.75
	Total	**3,350.21**	**3,319.65**	**3,452.38**	**3,421.38**
Circuit Length (Underground) (kms)					
	33kV	0.07	0.10	0.10	0.10
	11kV	124.82	122.00	117.87	104.51
	230/400 V	196.70	187.55	187.90	152.52
	Total	**321.59**	**309.65**	**305.87**	**257.13**
Transformer Capacity (kVA)	in kVA	197,711	190,763	188,006	224,970
Maximum Demand (kW)	in kW	55,699	53,847	55,463	57,077
Total Electricity entering the System, before losses of electricity (kWh)	in kWh	306,333,406	296,456,944	296,908,821	290,305,891
	Name of retailer/generator				
Total amount of electricity conveyed through the system, after losses of electricity, on behalf of each person that is an electricity generator or electricity retailer or both:	Contact Energy Ltd	169,852,670	162,920,804	166,214,066	161,212,700
	Mercury Energy Ltd (Mighty River)	24,012,438	12,857,080	1,538,842	3,831,200
	Transalta NZ Ltd				7,252,300
	Trustpower Ltd	40,403,654	41,054,204	53,549,918	51,533,500
	Meridian Energy Ltd	14,058,206	18,071,846	39,254,678	34,965,200
	Genesis Energy Ltd	38,930,950	39,085,849	14,638,363	10,236,100
	NGC/Energy				24,500
	TOTAL	287,257,918	273,989,783	275,195,867	269,055,500
Total number of consumers	Number	24,856	24,876	25,264	25,552

Reliability Performance Measures (Requirement 21)

Interruptions		Average Interruption Targets	Interruption Targets	Actual Interruptions			
		2006/2010	2006	2005	2004	2003	2002
	Class						
	Class A			0	1	1	
Planned Interruptions	Class B	*70*	*72*	123	115	130	237
Unplanned Interruptions	Class C	*127*	*130*	235	247	214	138
	Class D			2	2	1	1
	Class E			0		0	0
	Class F			0		0	0
	Class G			0	1	0	0
	Class H			0		0	0
	Class I			0		0	0
	Total			360	366	346	376

Proportion of Total Class C Interruptions not restored: (= a/b*100/1)	Within 3 Hours	Within 24 Hours
where -		
a = No. of interruptions not restored within	80	4
b = Total number of Class C interruptions	235	235
Proportion expressed as a percentage	34.04%	1.70%

Faults		Average Faults Targets	Faults Targets	Actual number of faults			
		2006/10	2006	2005	2004	2003	2002
Faults per 100 circuit kilometres of prescribed voltage electric line	Nominal Voltage						
	50kV	*3*	*3*	2	2	3	2
	33kV	*0*	*0*	3	6	11	3
	11kV	*7*	*7*	8	8	8	13
	Total	*6*	*6*	7	8	12	7

Faults		Actual number of faults			
		2005	2004	2003	2002
Faults per 100 circuit kilometres of underground prescribed voltage electric line	Nominal Voltage				
	50kV	0			
	33kV	0			
	11kV	8	4	5	0
	Total	8	4	5	0

Faults		Actual number of faults			
		2005	2004	2003	2002
Faults per 100 circuit kilometres of overhead prescribed voltage electric line	Nominal Voltage				
	50kV	2	2	3	2
	33kV	3	6	11	3
	11kV	8	8	7	13
	Total	7	8	12	7

Reliability Performance Measures (Requirement 21)

SAIDI	Class	Average SAIDI Targets	SAIDI Targets	Actual SAIDI			
		2006/10	2006	2005	2004	2003	2002
SAIDI for total number of interruptions (= a/b)				282.53	397.61	367.66	562.58
where - a = sum of interruption duration factors for **all** interruptions							
b = Total consumers							
SAIDI Targets (=a/b)							
Planned Interruptions	Class B	40	43				
Unplanned Interruptions	Class C	220	242				
where-							
Planned Interruptions (pi)	Class B						
a^{pi} = sum of interruption duration factors for all interruptions		*994,240*	*1,068,808*				
Unplanned Interruptions (ui)	Class C						
a^{ui} = sum of interruption duration factors for all interruptions		*5,468,320*	*6,015,152*				
b = Projected total consumers		*24,856*	*24,856*				
SAIDI for total number of interruptions within each interruption class (= a/b)							
	Class A			0.00	3.17	23.27	0.00
	Class B			31.00	38.05	56.95	75.89
	Class C			249.98	295.24	285.54	111.98
	Class D			1.55	18.75	1.91	374.71
	Class E			0.00	0.00	0.00	0.00
	Class F			0.00	0.00	0.00	0.00
	Class G			0.00	1.11	0.00	0.00
	Class H			0.00	0.00	0.00	0.00
	Class I			0.00	0.00	0.00	0.00
	SAIDI for total of interruptions			**282.53**	**356.31**	**367.66**	**562.58**
where - a = sum of interruption duration factors for all interruptions within the particular interruption class							
	Class A			0	78,750	587,769	0
	Class B			770,671	946,417	1,438,693	1,939,160
	Class C			6,213,421	7,344,364	7,213,916	2,861,194
	Class D			38,505	466,448	1,545,201	48,870
	Class E			0	0	0	0
	Class F			0	0	0	0
	Class G			0	27,721	0	0
	Class H			0	0	0	0
	Class I			0	0	0	0
b = Total consumers				24,856	24,876	25,264	25,552

Reliability Performance Measures (Requirement 21)

SAIFI	Class	Average SAIFI Targets	SAIFI Targets	Actual SAIFI			
		2006/10	2006	2005	2004	2003	2002
SAIFI for total number of interruptions (= a/b)				2.13	2.82	2.78	4.39
where -							
a = sum of electricity consumers affected by each of those interruptions							
b = Total consumers							
SAIFI Targets (=a/b)							
Planned Interruptions	Class B	0.30	0.30				
Unplanned Interruption	Class C	1.70	1.70				
where-							
Planned Interruptions	Class B						
a = projected number of electricity consumers affected by each of those interruptions		*7,457*	*7,457*				
b = Projected total customers		*24,856*	*24,856*				
Unplanned Interruptions	Class C						
a = projected number of electricity consumers affected by each of those interruptions		*42,255*	*42,255*				
b = Projected total customers		*24,856*	*24,856*				
SAIFI for total number of interruptions within each interruption class (= a/b)							
	Class A			0.00	0.02	0.07	0.11
	Class B			0.19	0.20	0.39	0.41
	Class C			1.92	1.75	2.54	3.57
	Class D			0.02	0.84	0.21	0.50
	Class E			0.00	0.00	0.00	0.00
	Class F			0.00	0.00	0.00	0.00
	Class G			0.00	0.00	0.00	0.00
	Class H			0.00	0.00	0.00	0.00
	Class I			0.00	0.00	0.00	0.00
	SAIFI for total of interruptions			**2.13**	**2.82**	**4.39**	**3.55**
where -							
a = sum of electricity consumers affected by each of those interruptions within that interruption class							
	Class A			0	375	1,883	0
	Class B			4,723	5,026	9,765	7,478
	Class C			47,724	43,485	64,049	58,178
	Class D			497	20,791	5,000	5,430
	Class E			0	0	0	0
	Class F			0	0	0	0
	Class G			0	180	0	0
	Class H			0	0	0	0
	Class I			0	0	0	0
b = Total consumers				24,856	24,876	25,264	25,552

Reliability Performance Measures (Requirement 21)

CAIDI	Class	Average CAIDI Targets	CAIDI Targets	Actual CAIDI			
		2006/10	2006	2005	2004	2003	2002
CAIDI for total number of interruptions (= a/b)				133	127	134	68
where - a = sum of interruption duration factors for all interruptions; b = sum of electricity consumers affected by each of those interruptions							
CAIDI Targets (=a/b)							
Planned Interruptions	Class B	133	143				
Unplanned Interruptio	Class C	129	142				
where-							
Planned Interruptions	Class B						
a = sum of interruption duration factors for all interruptions		*994,240*	*1,068,808*				
b = projected number of electricity consumers affected by each of those interruptions		*7,457*	*7,457*				
Unplanned Interruptions	Class C						
a = sum of interruption duration factors for all interruptions		*5,468,320*	*6,015,152*				
b = projected number of electricity consumers affected by each of those interruptions		*42,255*	*42,255*				
CAIDI for total number of interruptions within each interruption class (= a/b)							
	Class A			0	210	312	#DIV/0!
	Class B			166	188	147	259
	Class C			130	169	113	49
	Class D			309	22	309	9
	Class E			0	0	0	0
	Class F			0	0	0	0
	Class G			0	154	0	0
	Class H			0	0	0	0
	Class I			0	0	0	0
	CAIDI for total of interruptions			**133**	**127**	**134**	**68**
where - a = sum of interruption duration factors for all interruptions							
	Class A			0	78,750	587,769	0
	Class B			784,018	946,417	1,438,693	1,939,160
	Class C			6,204,120	7,344,364	7,213,916	2,861,194
	Class D			50,694	466,448	1,545,201	48,870
	Class E			0	0	0	0
	Class F			0	0	0	0
	Class G			0	27,721	0	0
	Class H			0	0	0	0
	Class I			0	0	0	0
b = sum of electricity consumers affected by each of those interruptions within that interruption class							
	Class A			0	375	1,883	0
	Class B			4,723	5,026	9,765	7,478
	Class C			47,724	43,485	64,049	58,178
	Class D			497	20,791	5,000	5,430
	Class E			0	0	0	0
	Class F			0	0	0	0
	Class G			0	180	0	0
	Class H			0	0	0	0
	Class I			0	0	0	0

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REPORT OF THE AUDITOR-GENERAL TO THE READERS OF THE FINANCIAL STATEMENTS OF EASTLAND NETWORK LIMITED FOR THE YEAR ENDED 31 MARCH 2005

We have audited the financial statements of Eastland Network Limited on pages 2 to 15. The financial statements provide information about the past financial performance of Eastland Network Limited and its financial position as at 31 March 2005. This information is stated in accordance with the accounting policies set out on pages 5 to 7.

Directors' Responsibilities

The Commerce Commission's Electricity Information Disclosure Requirements 2004 made under section 57T of the Commerce Act 1986 require the Directors to prepare financial statements which give a true and fair view of the financial position of Eastland Network Limited as at 31 March 2005, and the results of its operations and cash flows for the year ended on that date.

Auditor's Responsibilities

Section 15 of the Public Audit Act 2001 and Requirement 30 of the Electricity Information Disclosure Requirements 2004 require the Auditor-General to audit the financial statements. It is the responsibility of the Auditor-General to express an independent opinion on the financial statements and report that opinion to you.

The Auditor-General has appointed Bruce Taylor of Deloitte to undertake the audit.

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 Eastland Network Limited's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with the Auditing Standards published by the Auditor-General, which incorporate the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to obtain 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 acting on behalf of the Auditor-General, we have no relationship with or interests in Eastland Network Limited.

Qualified Opinion

As explained in Note 1 in the Notes to the Financial Statements, these financial statements have been prepared in accordance with the Requirements and as such represent an aggregation of the financial statements of Eastland Network Limited's Lines Business and Eastland Infrastructures Limited's Line

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Business. While required by the Requirements this treatment does not comply with generally accepted accounting practice.

These two entities do not form a group as defined in Financial Reporting Standard No.37: *Consolidating Investments in Subsidiaries,* but are owned in common by The Eastland Energy Community Trust.

In our opinion –

- proper accounting records have been maintained by Eastland Network Limited as far as appears from our examination of those records;
- the financial statements of Eastland Network Limited's Lines Business on pages 2 to 15:
  - (a) do not comply with generally accepted accounting practice in New Zealand; and
  - (b) do not give a true and fair view of Eastland Network Limited's Lines Business's financial position as at 31 March 2005 and the results of its operations and cash flows for the year ended on that date, because of the non-compliance with Financial Reporting Standard No.37: *Consolidating Investments in Subsidiaries.*
- the financial statements of Eastland Network Limited on pages 2 to 15 do comply with the Electricity Information Disclosure Requirements 2004.

Our audit was completed on 26 August 2005 our qualified opinion is expressed as at that date.

Bruce Taylor
Deloitte
On behalf of the Auditor-General
Hamilton, New Zealand

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AUDITOR-GENERAL'S OPINION ON THE PERFORMANCE MEASURES OF EASTLAND NETWORK LIMITED

We have examined the information on pages 16 to 24, being –

(a) the derivation table in requirement 15;

(b) the annual ODV reconciliation report in requirement 16;

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

(d) the financial components of the efficiency performance measures in clause 2 of Part 3 of Schedule 1, –

that were prepared by Eastland Network Limited and dated 31 March 2005 for the purposes of the Commerce Commission's Electricity Information Disclosure Requirements 2004.

In our opinion, having made all reasonable enquiry, and to the best of our knowledge, that information has been prepared in accordance with those Electricity (Information Disclosure) Requirements 2004.

Bruce Taylor
Deloitte
On behalf of the Auditor-General
Hamilton, New Zealand
26 August 2005

KPMG

AUDITORS OPINION IN RELATION TO ODV VALUATION

EASTLAND NETWORK LIMITED

We have examined the valuation report of Eastland Network Limited and dated 6 December 2004, which report contains valuations of system fixed assets as at 31 March 2004.

In our opinion, having made all reasonable enquiry, and to the best of our knowledge, the valuations contained in the report, including the total valuation of system fixed assets of $86,184,000 have been made in accordance with the ODV Handbook (as defined in the Commerce Commission's Electricity Information Disclosure Requirements 2004).

Bruce Loader
KPMG
P O Box 274
Christchurch

6 December 2004

CERTIFICATION OF VALUATION REPORT OF DISCLOSING ENTITIES

We, Trevor William Taylor and Roger Neil Taylor, directors of Eastland Network Limited certify that, having made all reasonable enquiry, to the best of our knowledge-

(a) the attached valuation report of Eastland Network Limited, prepared for the purposes of requirement 19 of the Commerce Commission's Electricity Information Disclosure Requirements 2004 complies with those requirements: and

(b) the replacement cost of the line business system fixed assets of Eastland Network Limited is $187,619,000; and

(c) the depreciated replacement cost of the line business system fixed assets of Eastland Network Limited is $87,482,000; and

(d) the optimised depreciated replacement cost of the line business system fixed assets of Eastland Network Limited is $86,184,000; and

(e) the optimised deprival valuation of the line business system fixed assets of Eastland Network Limited is $86,184,000; and

(f) the values in paragraphs (b) through to (e) have been prepared in accordance with the ODV Handbook (as defined in the Electricity Information Disclosure Requirements 2004). These valuations are as at 31 March 2004.

.... Director

.... Director

3 March 2005

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