

Auditor's Independent Assurance Report**To the board of directors of Northpower Limited****Report on Northpower Limited's compliance with the Electricity Distribution
(Information Disclosure) Requirements 2008
for the financial year ended 31 March 2010**

The Auditor-General is the auditor of Northpower Limited (the Company). The Auditor-General has appointed me, John Scott, using the staff and resources of Audit New Zealand, to provide an opinion on the compliance of the attached reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP1, MP2, MP3 and AM1 (inclusive) prepared by the Company with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements), on her behalf, for the financial year ended 31 March 2010. In this independent assurance report the attached reports are called the "disclosure information".

Respective responsibilities

The Board of Directors is responsible for preparing disclosure information which complies with the Requirements.

Clause 10 of the Requirements requires the Auditor-General to provide an opinion that the disclosure information prepared by the Company complies with and is presented in all material respects in accordance with the Requirements for the financial year ended 31 March 2010.

Limitations and use of this independent assurance report

This independent assurance report has been prepared solely to discharge the Auditor-General's responsibilities under the Requirements for the financial year ended 31 March 2010. This independent assurance report is not intended to be used for any purposes, other than that for which it was prepared.

Material misstatements, whether caused by fraud or error, are differences or omissions of amounts and disclosures that would affect a user's overall understanding of the disclosure information prepared by the Company.

Because of the inherent limitations in evidence gathering procedures, it is possible that fraud, error or non-compliance may occur and not be detected. As the procedures performed for this engagement are not performed continuously throughout the financial year and the procedures performed in respect of the Company's compliance with the Requirements are undertaken on a test basis, our engagement cannot be relied on to detect all instances where the Company may not have complied with the Requirements. Our opinion has been formed on the above basis.

Basis of opinion

The Company's financial statements for the year ended 31 March 2010 have been subject to audit. The audit opinion on the financial statements of the Company for the year ended 31 March 2010 was unqualified and was dated 3 June 2010.

Our work has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information complies with and has been presented in all material respects in accordance with the Requirements. We also included an assessment of the significant estimates and judgements, if any, made by the Company in the preparation of the disclosure information.

Historical financial and non-financial information

We conducted the engagement in accordance with the Standard on Assurance Engagements 3100: Compliance Engagements issued by the New Zealand Institute of Chartered Accountants.

Our work in respect of amounts and disclosures that were audited under the financial statements audit has been limited to agreeing the relevant amounts and disclosures to the underlying records and audited financial statements of the Company.

Our work in respect of amounts and disclosures that were not audited under the financial statement audit, has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information has been presented in all material respects in accordance with the Requirements.

Prospective financial and non-financial information

Our work has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2010 and the immediately preceding financial year, and that the information has been calculated based on source data provided by the Company, whilst acknowledging it is likely that actual results will vary from those forecasted, since anticipated events frequently do not occur as expected (and those variations may be significant). We have not performed audit procedures on the source data.

Independence

When carrying out the engagement we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants. We also complied with the Independent auditor provisions on independence, as specified in clause 2(1) of the Requirements.

Other than the engagement and the annual audit of the Company's financial statements carried out on behalf of the Auditor-General, we have no relationship with or interests in the Company.

Unqualified opinions

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

In our opinion:

- the Company has kept proper records to enable the complete and accurate compilation of required information, in all material respects, as far as appears from our examination of those records; and

- the disclosure information prepared by the Company for the financial year ended 31 March 2010 complies with the Requirements.

Historical Financial and Non-Financial Information

In our opinion, the Company has:

- presented the historical financial information included in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3 and AM1 for the financial year ended 31 March 2010 that complies with the Requirements, in all material respects; and
- compiled the historical non-financial information included in reports MP1, MP2 and MP3 in accordance with the guidance (if any) issued pursuant to the Requirements, and has calculated the historical non-financial information based on un-audited source data provided by the Company.

Prospective Financial and Non-Financial Information

In our opinion, the Company has:

- presented the information in reports AM1 and MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2010 and the immediately preceding financial year; and
- calculated the prospective financial and non-financial information based on un-audited source data provided by the Company.




John Scott
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand
27 August 2010

CERTIFICATE FOR DISCLOSED INFORMATION

Pursuant to Requirement 11 (1)

We, Warren William Moyes and Nicole Peta Davies-Colley, directors of Northpower Ltd, certify that, having made all reasonable enquiry, to the best of our knowledge the following attached audited information of Northpower Ltd, prepared for the purposes of Requirements 3, 4, 6 and 7 (5) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements:-

- (i) Report FS1 : Regulatory Profit Report;
- (ii) Report FS2 : Regulatory Asset and Financing Report;
- (iii) Report FS3 : Regulatory Tax Allowance Report;
- (iv) Report AV1 : Annual Regulatory Valuation Roll-Forward Report;
- (v) Report AV2 : Valuation Disclosure by Asset Class (for System Fixed Assets);
- (vi) Report AV3 : System Fixed Assets Replacement Cost Roll-Forward Report;
- (vii) Report AV4 : Merger or Acquisition Regulatory Asset Base Disclosure;
- (viii) Report MP1 : Network Information Report;
- (ix) Report MP2 : Performance Measures Report;
- (x) Report MP3 : Price and Quality Report; and
- (xi) Report AM1 : Expenditure Forecasts and Reconciliation



W W Moyes



N P Davies-Colley

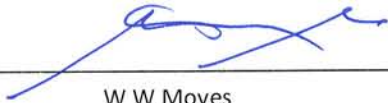
Date: 27 August 2010 27 August 2010

CERTIFICATE FOR VALUATION REPORTS

Pursuant to Requirement 11(3)

We, Warren William Moyes and Nicole Peta Davies-Colley, directors of Northpower Ltd, certify that, having made all reasonable enquiry, to the best of our knowledge:-

- (a) The attached valuation report of Northpower Ltd, prepared for the purposes of Requirement 14(3) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements; and
- (b) The replacement cost of the line business fixed assets of Northpower Ltd is \$283,377,000; and
- (c) The depreciated replacement cost of the line business system fixed assets of Northpower Ltd is \$140,922,000; and
- (d) The optimised depreciated replacement cost of the line business system fixed assets of Northpower Ltd is \$135,098,000; and
- (e) The optimised deprival valuation of the line business system fixed assets of Northpower Ltd is \$135,098,000; 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.



W W Moyes



N P Davies-Colley

Date: 27 August 2010 27 August 2010

REPORT FS1: REGULATORY PROFIT STATEMENT

ref		Electricity Distribution Business:	Northpower Limited	
5			For Year Ended	2010
6	Income			
7				(\$000)
8		Net Line Charge Revenue Received	45,819	
9	plus	Discretionary Discounts and Customer Rebates	4,328	FS1a
10		Gross Line Charge Income	50,147	
11				
12		Capital Contributions	-	
13	plus	Net Value of Vested Assets	2,356	
14		Total Capital Contributions and Vested Assets	2,356	
15				
16		AC Loss Rental Rebates Received	714	
17	less	AC Loss Rental Rebates Passed On	714	
18		Net AC loss rental income (deficit)	-	
19				
20				
21		Other Income	249	
22				
23			249	
24				
25		Total regulatory income	52,752	
26				
27				
28	Expenses			
29				
30		Transmission Charges - Payments to Transpower	14,972	
31	plus	Avoided Transmission Charges - payments to parties other than Transpower	-	
32		Total Transmission Costs	14,972	
33				
34		Operational Expenditure:		
35		General Management, Administration and Overheads	6,692	
36		System Management and Operations	500	
37		Routine and Preventative Maintenance	1,570	to AM1
38		Refurbishment and Renewal Maintenance	3,716	to AM1
39		Fault and Emergency Maintenance	1,368	to AM1
40		Pass-through Costs	258	
41		Other	1,437	
42		Total Operational Expenditure	15,541	to MP2
43				
44				
45		Operational earnings	22,239	
46				
47				
48		Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	8,899	from AV1
49	plus	Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	184	from AV1
50		Total Regulatory Depreciation	9,083	to FS3
51				
52				
53		Earnings before interest and tax (EBIT)	13,156	to FS3
54				
55	less	Regulatory Tax Allowance	1,706	from FS3
56				
57	plus	Indexed Revaluation (of System Fixed Assets)	3,814	from AV1
58	plus	Revaluations of Non-System Fixed Assets	-	from AV1
59				
60		Regulatory profit / loss (pre-financing and distributions)	15,265	to MP2

REPORT FS1: REGULATORY PROFIT STATEMENT (cont)**Notes to Regulatory Profit Statement**

69	FS1a: Discretionary Discounts: Customer Rebates and other line charge adjustments		(\$000)
70	Customer Rebates	-	
71	Line Charge Holidays and other Discretionary Discounts	4,328	
72	Total Discretionary Discounts and Customer Rebates		4,328

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges	-	
77	Operational Expenditure	9,332	
78	Subvention Payment	-	
79	Other related party expenditure	11,967	
80	Total Related Party Expenditure		21,299

N.B.: The additional Related Party information that is required to be disclosed in accordance with Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this Schedule and forms part of this Schedule.

87	FS1c: Operational Expenditure notes		(\$000)
88			
89	Merger and Acquisition Expenses		
90	Merger and Acquisition Expenses (not to be included in Operational Expenditure)	-	
91			
92	Material items (if greater than 10% of the Operational Expenditure line item)		
93	Material item amount 1		<i>Notes to be provided separately</i>
94	within expenditure category:	Select one	
95			
96	Material item amount 2		<i>Notes to be provided separately</i>
97	within expenditure category:	Select one	
98			
99	Material item amount 3		<i>Notes to be provided separately</i>
100	within expenditure category:	Select one	
101			
102			
103			<i>(further disclosures to be provided on separate page if required)</i>

106	FS1d: Vested Assets		(\$000)
107	Consideration Paid for Vested Assets		343

110	FS1e: Reclassified items in Operational Expenditure		(\$000)
111	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
112	Previous classification:	Select one	
113	New classification:	Select one	
114			
115			(\$000)
116	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
117	Previous classification:	Select one	
118	New classification:	Select one	
119			
120			(\$000)
121	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
122	Previous classification:	Select one	
123	New classification:	Select one	
124			

to be repeated as required for multiple reclassifications

REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Northpower Limited	
5		For Year Ended	2010
6			
7	Capital Expenditure on System Fixed Assets (by primary purpose)		(\$000)
8	Customer Connection	428	to AM1
9	System Growth	3,576	to AM1
10	Reliability, Safety and Environment	411	to AM1
11	Asset Replacement and Renewal	6,429	to AM1
12	Asset Relocations	98	to AM1
13	Total Capital Expenditure on System Fixed Assets	10,942	to AM1
14			
15			
16	Capital Expenditure on Non-System Fixed Assets	491	from AV1
17			
18			
19	Capital works roll-forward (for System Fixed Assets)		
20	Works Under Construction at Beginning of Year	677	
21	plus Total Capital Expenditure on System Fixed Assets	10,942	
22	less Assets Commissioned in Year	7,674	from AV1
23	Works under construction at year end	3,945	
24			
25			
26	Regulatory Investment Value calculation		
27	System Fixed Assets: regulatory value at end of Previous Year	186,376	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	9,807	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	4,566	2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	200,749	
31			
32	plus (System Fixed Assets Commissioned in Year	7,674	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	491	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	8,165	
36	Regulatory Asset Base investment in Current Financial Year - average	4,083	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	Adjustment for merger, acquisition or sale to another EDB	-	from AV4
40			
41	Regulatory Investment Value	204,832	to MP2

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

		Electricity Distribution Business:	Northpower Limited		
			For Year Ended	2010	
5					
6					
7				(\$000)	
8		Earnings before interest and tax (EBIT)		13,156	from FS1
9					
10	add	Total Regulatory Depreciation	9,083		from FS1
11		Other Permanent Differences - not deductible			
12		Other Temporary Adjustments - Current Period			
13				9,083	
14					
15	less	Non Taxable Capital Contributions and Vested Assets	2,356		
16		Tax Depreciation	5,347		
17		Deductible Discretionary Discounts and Customer Rebates	4,328		
18		Deductible Interest	4,523		from row 53
19		Other Permanent Differences - Non Taxable			
20		Other Temporary Adjustments - Prior Period			
21				16,554	
22					
23		Regulatory taxable income for Year		5,685	
24					
25	less	Tax Losses Available at Start of Year			
26		Net taxable income		5,685	
27					
28		Statutory Tax Rate	30%		
29		Regulatory Tax Allowance		1,706	to FS1

Notes to Regulatory Tax Allowance Calculation

FS3a: Description of adjustments classified as "other"

The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory notes can be provided in a separate note if necessary).

FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)

49	Standard Debt Leverage Assumption (debt/total assets)	40%	%	
50				
51	Standard Cost of Debt Assumption	5.52%	%	
52				
53	Deductible Interest	4,523	\$000	to row 18
54				
55	Interest Tax Shield Adjustment	1,357	\$000	to MP2
56				

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

		Electricity Distribution Business: Northpower Limited					
		For Year Ended: 2010					
		Year of most recent ODV: 2004					
		(\$'000)					
		ODV Year + 1	ODV Year + 2	ODV Year + 3	ODV Year + 4	ODV Year + 5	ODV Year + 6
		2005	2006	2007	2008	2009	2010
11	System Fixed Assets	For Year Ending:					
12	Regulatory Value at End of Previous Year*	135,098	141,767	152,581	160,580	175,650	186,437
13	plus						
14	Assets Commissioned	2,065	4,172	3,133	5,649	8,510	7,674
15	Gross Value of Vested Assets	6,528	7,840	7,000	8,495	4,107	2,699
16	Assets Acquired from (Sold to) a Non-EDB						
17	Asset Additions	8,593	12,012	10,133	14,144	12,617	10,373
18	plus						
19	Indexed Revaluation	3,639	4,760	3,873	5,406	5,216	3,815
20	less						
21	Depreciation of System Fixed Assets	5,532	5,906	5,878	6,176	6,729	6,938
22	Regulatory Value of Assets Decommissioned	31	53	128	340	317	1,961
23	Regulatory Depreciation (incl. value of assets decommissioned)	5,563	5,959	6,006	6,516	7,046	8,899
24	plus (minus)						
25	Acquisition of System Fixed Assets from another EDB	-	-	-	-	-	-
26	Sale of System Fixed Assets to another EDB	-	-	-	-	-	-
27	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	-	-	-	-	-
28	plus (minus)						
29	Net Increase (Decrease) Due to Changes in Asset Register Information				2,036	-	2,515
30							
31	Regulatory Value of System Fixed Assets at Year End	141,767	152,581	160,580	175,650	186,437	194,241
32							
33	Non-System Fixed Assets						
34	Regulatory value at end of previous year	5,827	5,409	7,210	7,185	9,370	9,807
35	plus						
36	Asset Additions	(383)	63	155	797	624	491
37	plus						
38	Revaluations		1,905		1,544		
39	less						
40	Depreciation (incl. value of assets decommissioned)	35	167	180	156	187	184
41	plus						
42	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-	-	-
43	Regulatory Value of Non-System Fixed Assets at Year End	5,409	7,210	7,185	9,370	9,807	10,114
44							
45	Total Regulatory Asset Base Value (excluding FDC)	147,176	159,791	167,765	185,020	196,244	204,355
46							
47	* The commencing figure for completing this schedule is the most recent ODV value						
48	Note: Additional columns to be added if required						
49							

Notes to Annual Regulatory Valuation Roll-forward Report

57 AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets		CPI as at date of ODV: 928					
58		For Year Ended					
59		2005	2006	2007	2008	2009	2010
60	CPI at CPI reference date	953	985	1010	1044	1075	1097
61	Revaluation Rate	2.69%	3.36%	2.54%	3.37%	2.97%	2.05%
62							
63	System Fixed Assets: Regulatory Value at End of Previous Year	135,098	141,767	152,581	160,580	175,650	186,437
64	Indexed Revaluation of System Fixed Assets	3,639	4,760	3,873	5,406	5,216	3,815
65							
66	57 AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB	(\$'000)					
67	58	For Year Ended					
68	59	2005	2006	2007	2008	2009	2010
69	60						
70	61						
71	62						
72	63						

REPORT AV2: REGULATORY VALUATION DISCLOSURE BY ASSET CLASS
(for System Fixed Assets)

Electricity Distribution Business: **Northpower Limited**
 For Year Ended: **2010**

ref
 6
 7
 8
 9
 10
 11
 12
 13
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 16
 17
 18
 19
 20
 21

Subtotals by Asset Class (for System Fixed Assets)

(\$000)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)
System Fixed Assets								
Regulatory Value of System Fixed Assets (as per most recent ODV)	8,962	13,339	66,125	18,981	21,513	5,323	855	135,098
Cumulative roll-forward since most recent ODV:								
Asset Additions								67,872
Indexed Revaluation (of System Fixed Assets)								26,647
less Regulatory Depreciation (of System Fixed Assets)								39,989
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-
Net Increase (Decrease) Due to Changes in Asset Register Information								2,036
Regulatory Value of System Fixed Assets at Year End								191,664

from AV1

from AV1

from AV1

from AV1

from AV1

from AV1

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT

ref		Electricity Distribution Business:	Northpower Limited	
		For Year Ended:	2010	
5				
6	System Fixed Assets - Replacement Cost			
7			(\$000)	
8	Replacement cost at end of previous year		382,944	
9				
10	Asset Additions		10,373	AV3a
11	Indexed Revaluation (of System Fixed Assets)		7,837	
12	<i>less</i> Replacement Cost of Assets Decommissioned		7,496	
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		-	from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information			
15	Replacement cost of System Fixed Assets at year end		393,658	
16				
17				
18	System Fixed Assets - Depreciated Replacement Cost			
19				
20	Depreciated Replacement Cost at end of previous year		191,168	
21				
22	Asset Additions		10,373	AV3a
23	Indexed Revaluation (of System Fixed Assets)		3,912	
24	<i>less</i> Depreciation of Replacement Cost		7,126	
25	<i>less</i> Depreciated Replacement Cost of Assets Decommissioned		1,961	
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB		-	from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information			
28	Depreciated replacement cost of System Fixed Assets at year end		196,366	

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)**Notes to Price and Quality Measures**

36	AV3a: New Asset Additions			
37				
38	Asset Additions - Depreciated Replacement Cost		10,373	from AV1
39	<i>plus</i> Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions			
40				
41	Asset Additions - Replacement Cost		10,373	
42				

REPORT AV4: BUSINESS MERGER, ACQUISITION OR SALE - REGULATORY ASSET BASE DISCLOSURE

Electricity Distribution Business:

6 **Disclosure required? (YES or NIL DISCLOSURE):**

7

8

9 As at (date):

10 Proportion of year following transfer of assets:

11

12 **PART 1: Most recent ODV valuation of System Fixed Assets transferred** (\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transformers	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								-
14								-
15 less Depreciation								-
16 Depreciated Replacement Cost (DRC)								-
17								-
18 less Optimisation adjustment								-
19 Optimised Depreciated Replacement Cost (ODRC)								-
20								-
21 less Economic Value Adjustment (EVA)								-
22 Most recent ODV value								-
23								-
24								-

26 **PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)** (\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)			
28			
29 Cumulative roll-forward since most recent ODV:			
30 Asset Additions			
31 Indexed Revaluation (of System Fixed Assets)			
32 less Regulatory Depreciation (of System Fixed Assets)			
33 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
34 Net Increase (Decrease) due to Changes in Asset Register Information			
35 RAB Value of Transferred Assets at Transfer Date			
36			
37 Acquisition of Assets from Another EDB			
38 Sale of Assets to Another EDB			
39			
40			
41 RAB Value of Transferred Assets at Transfer Date			
42 "p" factor (proportion of year following transfer of assets)	0%		
43 Adjustment for merger, acquisition or sale to another EDB			
44			
45			

47 **PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred** (\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/sold assets
48 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		
50		
51		

52 Signed by: Selling Entity

53

54 Acquiring Entity

55

56

57

REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref		Electricity Distribution Business:	Northpower Limited
6			For Year Ended: 2010
7	Network Name:	Northpower	(enter "Total Business" or name of network)
9	Disclosure:	Annual Disclosure - Requirement 6(1)	
10	Circuit Length by Operating Line Voltage (at year end)		
11		Overhead (km)	Underground (km)
12	> 66kV		
13	50kV & 66kV		
14	33kV	220	17
15	SWER (all SWER voltages)		
16	22kV (other than SWER)		
17	6.6kV to 11kV (inclusive - other than SWER)	3,394	221
18	Low Voltage (< 1kV)	1,390	587
19	Total circuit length (for Supply)	5,004	825
20			
21	Dedicated Street Lighting Circuit Length	179	191
22			
23	Overhead Circuit Length by Terrain (at year end)	(km)	(%)
24	Urban (only)	675	13%
25	Rural (only)	3,937	79%
26	Remote (only)		0%
27	Rugged (only)		0%
28	Rural & rugged (only)	392	8%
29	Remote & rugged (only)		0%
30	Unallocated overhead lines		0%
31	Total overhead length	5,004	100%
32			
33			
34	Transformer capacity (at year end)		Previous Year
35	Distribution Transformer Capacity (EDB Owned)	483 MVA	476
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	3 MVA	4
37	Total Distribution Transformer Capacity	485 MVA (to MP2)	480
38			
39	Zone Substation Transformer Capacity	271 MVA	266
40			
41	System Fixed Assets age (at year end)		
42	Average Age of System Fixed Assets	26 Years	
43	Average Expected Total Life of System Fixed Assets	50 Years	
44	Average Age as a Proportion of Average Expected Total Life	52% %	
45			
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	15% %	
47			
48			
49			
50			
51	Electricity demand	Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)
52			
53	GXP Demand	147	180
54	plus Embedded Generation Output at HV and Above	3	
55	Maximum System Demand	150	
56	less Net Transfers to (from) Other EDBs at HV and Above		
57	Demand on system for supply to customers' Connection Points	150	
58	less Subtransmission Customers' Connection Point Demand	60	63
59	Maximum Distribution Transformer Demand	100	
60			
61	GXP Demand not Supplied at Subtransmission Level	10	
62	Embedded Generation Output - Connected to Subtransmission System	3	3
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only		
64			
65	Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	5	
66			
67	Five-Year System Maximum Demand Growth Forecast	1.2 % p.a.	
68			
69	Electricity volumes carried	(GWh)	
70	Electricity Supplied from GXPs	964	
71	less Electricity Exports to GXPs	-	
72	plus Electricity Supplied from Embedded Generators	22	
73	less Net Electricity Supplied to (from) Other EDBs	-	
74	Electricity entering system for supply to customers' Connection Points	986	
75	less Electricity Supplied to Customers' Connection Points	950	
76	Electricity Losses (loss ratio)	36	3.6% %
77			
78	Electricity Supplied to Customers' Connection Points	950	
79	less Electricity Supplied to Largest 5 Connection Points	418	
80	Electricity supplied other than to Largest 5 Connection Points	532	56% %
81			
82	Load Factor	75% %	
83			
84	Number of Connection Points (at year end)	53,706 ICPs	
85			
86	Intensity of service requirements		
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	17 kW/km	
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	163 MWh/km	
89	Connection Point Density (ICPs / Total circuit length)	9 ICP/km	
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	17,696 kWh/ICP	

REPORT MP2: PERFORMANCE MEASURES

ref	Electricity Distribution Business:		Northpower Limited					
					For Year Ended:	2010		
5	Performance comparators							
6								
7		Previous Years:		Current Financial Year				
8		Current Yr - 3	Current Yr - 2	Current Yr - 1				
9	Operational expenditure ratio							
10		Total Operational Expenditure	15	16	16	\$m from FS1		
11		Replacement Cost of System Fixed Assets (at year end*)	361	383	394	\$m from AV3		
12		Ratio (%)	Not defined	4.03%	4.17%	3.95% %		
13								
14	Capital expenditure ratio							
15		Total Capital Expenditure on System Fixed Assets	4	8	11	\$m from FS2		
16		Replacement Cost of System Fixed Assets (at year end*)	361	383	394	\$m from AV3		
17		Ratio (%)	Not defined	1.23%	1.99%	2.78% %		
18								
19	Capital expenditure growth ratio							
20		Capital Expenditure: Customer Connection and System Growth	2	-	4	\$m from FS2		
21		Change in Total Distribution Transformer Capacity	18	19	5	MVA from MP1		
22		\$/kVA	Not defined	120	-	755 \$/kVA		
23								
24	Renewal expenditure ratio							
25		Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal	6	4	10	\$m from FS1 & 2		
26		Regulatory Depreciation of System Fixed Assets	7	7	9	\$m from AV1		
27		Ratio (%)	Not defined	88%	58%	114% %		
28								
29	Distribution Transformer Capacity Utilisation							
30		Maximum Distribution Transformer Demand	98	101	100	MW from MP1		
31		Total Distribution Transformer Capacity (at year end*)	461	480	485	kVA from MP1		
32		Ratio (%)	Not defined	21.3%	21.0%	20.6% %		
33								
34	Return on Investment							
35		Regulatory Profit / Loss (pre-financing and distributions)	22	16	15	\$m from FS1		
36		less Interest Tax Shield Adjustment	2	2	1	\$m from FS3		
37		Adjusted Regulatory Profit	-	20	14	\$m		
38		Regulatory Investment Value	175	194	205	\$m from FS2		
39		Ratio (%)	Not defined	11.64%	7.46%	6.79% %		
40								
41								
42	Expenditure comparison table							
43								
44		Expenditure metrics (\$ per):						
45		Total circuit length (for Supply) (\$/km)	Electricity Supplied to Customers' Connection Points (\$/MWh)	Maximum coincident system demand (\$/MW)	Connection Point (\$/ICP)	Distribution Transformer Capacity (EDB-Owned) (\$/MVA)		
46								
47		Capital Expenditure (\$) per	1,961	12	76,220	213	23,695	from FS2 & MP1
48		Operational Expenditure (\$) per	2,666	16	103,607	289	32,209	from FS1 & MP1
49								

* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.

REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

ref	Electricity Distribution Business: Northpower Limited					
6	For Year Ended: 2010					
7	Network Name: Northpower					
	Disclosure: Annual Disclosure - Requirement 6(1)					
9	QUALITY					
11	Interruptions					
12	Interruptions by class					
13	Class A	planned interruptions by Transpower:				
14	Class B	310 planned interruptions on the network				
15	Class C	255 unplanned interruptions on the network				
16	Class D	3 unplanned interruptions by Transpower				
17	Class E	unplanned interruptions of network owned generation				
18	Class F	unplanned interruptions of generation (non-network)				
19	Class G	unplanned interruptions caused by other electricity industry participant				
20	Class H	planned interruptions caused by other electricity industry participant				
21	Total	568 Total of above				
22	Interruption targets for Forecast Year					
23	Class B	2011 320 Current Financial Year +1 planned interruptions on the network				
24	Class C	230 unplanned interruptions on the network				
25	Average interruption targets for 5 Forecast Years					
26	Class B	2011-2015 320 Current Financial Year +1 to +5 planned interruptions on the network				
27	Class C	230 unplanned interruptions on the network				
28	Class C interruptions restored within					
29	≤3Hrs	>3hrs				
30	191	64				
31	Faults					
32	Faults per 100 circuit kilometres					
33	The total number of faults for Current Financial Year	7.06 in year 2010				
34	The total number of faults forecast for the Forecast Year	6.37 in year 2011				
35	The average annual number of faults forecast for the 5 Forecast Years	6.37 average over years 2011-2015				
36	Fault Information per 100 circuit kilometres by Voltage and Type					
37	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
38	Is this voltage part of the EDB system?	Yes	No	No	Yes	No
39	Current Financial Year	7.19			5.00	
40	Forecast Year	7.50			2.00	
41	Average annual for 5 Forecast Years	7.50			2.00	
42	Fault Information per 100 circuit kilometres by Voltage and Type					
43	6.6kV & 11kV non-SWER	22kV non-SWER	SWER	33kV	50kV & 66kV	>66kV
44	Underground	-			-	
45	Overhead	7.19			5.00	
46	Reliability					
47	Overall reliability					
48	Based on the total number of interruptions	SAIDI 132.29 SAIFI 2.37 CAIDI 55.80				
49	Reliability by interruption class					
50	Class B	SAIDI 27.03 SAIFI 0.18 CAIDI 150.53				
51	Class C	SAIDI 105.27 SAIFI 2.19 CAIDI 48.00				
52	Targets for Forecast Year					
53	Class B	SAIDI 30.00 SAIFI 0.30 CAIDI 100.00				
54	Class C	SAIDI 87.00 SAIFI 2.50 CAIDI 35.00				
55	Average targets for 5 Forecast Years					
56	Class B	SAIDI 30.00 SAIFI 0.30 CAIDI 100.00				
57	Class C	SAIDI 87.00 SAIFI 2.50 CAIDI 35.00				
58	PRICES					
59	Price information by Connection Point Class					
60	Connection Point Class					
61	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	Total	
62	Gross line charge income (\$000)	24,371	11,216	7,468	7,092	50,147 from FS1
63	Electricity Supplied to Customers' Connection Points (MWh)	283,757	123,049	125,409	418,178	950,393 from MP1
64	Number of Connection Points (ICPs) at year end	43,244	9,967	490	5	53,706 from MP1
65	Unit Price (cents/kWh)	8.6	9.1	6.0	1.7	5.3
66	Relative Unit Price Index	1.00	1.06	0.69	0.20	0.61

REPORT MP3: PRICE AND QUALITY (cont)

Notes to Price and Quality Measures

89	MP3a: Connection Point Class breakpoints	
90		
91	Connection Point Class breakpoints methodology	Metering installation category based breakpoints
92		
93	kVA based breakpoints - additional disclosure	
94	Breakpoint between small and medium classes	<input type="text"/> kVA
95	Breakpoint between large and medium classes	<input type="text"/> kVA
96		

REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

ref	Electricity Distribution Business: Northpower Limited							
5	For Year Ended 2010							
6	(\$000)							
7	Forecast Years							
8		Actual for Current	year 1	year 2	year 3	year 4	year 5	
9		Financial Year	2011	2012	2013	2014	2015	
10	for year ended	2010						
11	Capital Expenditure: Customer Connection	428	375	375	375	375	375	from FS2
12	Capital Expenditure: System Growth	3,576	1,065	3,667	3,586	3,071	6,961	from FS2
13	Capital Expenditure: Reliability, Safety and Environment	411	2,660	1,432	467	809	411	from FS2
14	Capital Expenditure: Asset Replacement and Renewal	6,429	7,226	6,351	7,484	8,152	4,212	from FS2
15	Capital Expenditure: Asset Relocations	98	-	-	-	-	-	from FS2
16	Subtotal - Capital Expenditure on asset management	10,942	11,326	11,825	11,912	12,407	11,959	
17	Operational Expenditure: Routine and Preventative Maintenance	1,570	1,870	1,925	1,983	2,042	2,102	from FS1
18	Operational Expenditure: Refurbishment and Renewal Maintenance	3,716	4,623	4,262	4,405	4,552	4,704	from FS1
19	Operational Expenditure: Fault and Emergency Maintenance	1,368	1,148	1,182	1,218	1,254	1,292	from FS1
20	Subtotal - Operational Expenditure on asset management	6,654	7,641	7,369	7,606	7,848	8,098	
21								
22	Total direct expenditure on distribution network	17,596	18,967	19,194	19,518	20,255	20,057	
23								
24	Overhead to Underground Conversion Expenditure	-	-	-	-	-	-	
25								
26	The Electricity Distribution Business is to provide the amount of Overhead to Underground Conversion Expenditure included in each of the above Expenditure Categories (explanatory notes can be provided in a separate note if necessary).		No significant overhead to underground expenditure incurred or planned					
27								
28								
29								
30								
31	B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure							
32		Actual for Current	Previous					
33		Financial	forecast for					
34		Year	Current					
35		(a)	Year					
36			(b)					
37								
38								
39								
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Additional Notes

FS1b – Related Parties Expenditure Note

\$000's

Operational Expenditure

\$9,332

Maintenance expenditure on System Fixed Assets.

Other Related Parties Expenditure

\$11,967

Construction of new assets:-

(a) Subtransmission assets	\$2,001,350
(b) Zone Substations	\$1,047,002
(c) Distribution Lines and Cables	\$5,577,303
(d) Medium Voltage Switchgear	\$1,002,179
(e) Distribution Transformers	\$1,456,230
(f) Low Voltage Reticulation	\$106,166
(g) Scada & Communications	\$36,515

Network Maintenance and other services are provided in accordance with a Service Level Agreement.

- No balance is outstanding at balance date.
- No amounts have been written off or forgiven during the year.
- No transactions have been made at nil or nominal value.

Transitional Provisions – Requirement Part 4 14 (8)

	2010	2009	2008	2007	2006
Statistics					
(a) System length, broken down by voltage:					
33 kV	237.0km	235.0km	234.0km	231.0km	231.0km
11 kV	3,615.0km	3,424.0km	3,375.0km	3,239.0km	3,298.0km
400 V	1,977.0km	1,968.0km	2,147.0km	2,176.0km	2,057.0km
Total	5,829.0km	5,627.0km	5,756.0km	5,646.0km	5,586.0km
(b) Circuit length of overhead lines, broken down by voltage:					
33 kV	220.0km	218.0km	217.0km	215.0km	215.0km
11 kV	3,394.0km	3,227.0km	3,184.0km	3,103.0km	3,149.0km
400 V	1,390.0km	1,449.0km	1,597.0km	1,577.0km	1,582.0km
Total	5,004.0km	4,894.0km	4,998.0km	4,895.0km	4,946.0km
(c) Circuit length of underground cables broken down by voltage:					
33 kV	17.0km	17.0km	17.0km	16.0km	16.0km
11 kV	221.0km	197.0km	191.0km	136.0km	149.0km
400 V	587.0km	519.0km	550.0km	599.0km	475.0km
Total	825.0km	733.0km	758.0km	751.0km	640.0km
(d) Transformer capacity	485,300kVA	480,000kVA	461,000kVA	442,875kVA	433,235kVA
(e) Maximum demand	150,000kW	151,000kW	154,000kW	144,014kW	143,800kW
(f) Total customers	53,706	53,331	52,876	51,669	50,753
Efficiency Performance Measures					
(a) Direct line cost per kilometre	\$1,921	\$2,042	\$1,863	\$1,500	\$1,425
(b) Indirect line cost per customer	\$79	\$84	\$72	\$61	\$46