EDB Information Disclosure Requirements
Information Templates
for
Schedules 1–10

Company Name	Wellington Electricity Lines Limited
Disclosure Date	31 August 2019
Disclosure Year (year ended)	31 March 2019

Templates for Schedules 1–10 excluding 5f–5g
Template Version 4.1. Prepared 21 December 2017

Table of Contents

Disclosure Template Instructions

These templates have been prepared for use by EDBs when making disclosures under clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1, and 2.5.2 of the Electricity Distribution Information Disclosure Determination 2012.

Company Name and Dates

To prepare the templates for disclosure, the supplier's company name should be entered in cell C8, the date of the last day of the current (disclosure) year should be entered in cell C12, and the date on which the information is disclosed should be entered in cell C10 of the CoverSheet worksheet.
The cell C12 entry (current year) is used to calculate disclosure years in the column headings that show above some of the tables and in labels adjacent to some entry cells. It is also used to calculate the 'For year ended' date in the template title blocks (the title blocks are the light green shaded areas at the top of each template).
The cell C8 entry (company name) is used in the template title blocks.
Dates should be entered in day/month/year order (Example -"1 April 2013").

Data Entry Cells and Calculated Cells

Data entered into this workbook may be entered only into the data entry cells. Data entry cells are the bordered, unshaded areas (white cells) in each template. Under no circumstances should data be entered into the workbook outside a data entry cell.
In some cases, where the information for disclosure is able to be ascertained from disclosures elsewhere in the workbook, such information is disclosed in a calculated cell.

Validation Settings on Data Entry Cells

To maintain a consistency of format and to help guard against errors in data entry, some data entry cells test keyboard entries for validity and accept only a limited range of values. For example, entries may be limited to a list of category names, to values between 0% and 100%, or either a numeric entry or the text entry "N/A". Where this occurs, a validation message will appear when data is being entered. These checks are applied to keyboard entries only and not, for example, to entries made using Excel's copy and paste facility.

Conditional Formatting Settings on Data Entry Cells

Schedule 2 cells G79 and I79:L79 will change colour if the total cashflows do not equal the corresponding values in table 2(ii).
Schedule 4 cells P99:P105 and P107 will change colour if the RAB values do not equal the corresponding values in table 4(ii).
Schedule 9b columns AA to AE (2013 to 2017) contain conditional formatting. The data entry cells for future years are hidden (are changed from white to yellow).
Schedule 9b cells AG10 to AG60 will change colour if the total assets at year end for each asset class does not equal the corresponding values in column I in Schedule 9a.
Schedule 9c cell G30 will change colour if G30 (overhead circuit length by terrain) does not equal G18 (overhead circuit length by operating voltage).

Inserting Additional Rows and Columns

The templates for schedules 4, 5b, 5c, 5d, 5e, 6a, 8, 9d, and 9e may require additional rows to be inserted in tables marked 'include additional rows if needed' or similar. Column A schedule references should not be entered in additional rows, and should be deleted from additional rows that are created by copying and pasting rows that have schedule references.
Additional rows in schedules 5c, 6a, and 9e must not be inserted directly above the first row or below the last row of a table. This is to ensure that entries made in the new row are included in the totals.
Schedules 5d and 5e may require new cost or asset category rows to be inserted in allocation change tables 5d(iii) and 5e(ii). Accordingly, cell protection has been removed from rows 77 and 78 of the respective templates to allow blocks of rows to be copied. The four steps to add new cost category rows to table 5d(iii) are: Select Excel rows 69:77, copy, select Excel row 78, insert copied cells. Similarly, for table 5e(ii): Select Excel rows 70:78, copy, select Excel row 79, then insert copied cells.
The template for schedule 8 may require additional columns to be inserted between column P and U. To avoid interfering with the title block entries, these should be inserted to the left of column S. If inserting additional columns, the formulas for standard consumers total, non-standard consumers totals and total for all consumers will need to be copied into the cells of the added columns. The formulas can be found in the equivalent cells of the existing columns.

Disclosures by Sub-Network

If the supplier has sub-networks, schedules 8, 9a, 9b, 9c, 9e, and 10 must be completed for the network and for each sub-network. A copy of the schedule worksheet(s) must be made for each sub-network and named accordingly.

Schedule References

The references labelled 'sch ref' in the leftmost column of each template are consistent with the row references in the Electricity Distribution ID Determination 2012 (as issued on 21 December 2017). They provide a common reference between the rows in the determination and the template.

Description of Calculation References

Calculation cell formulas contain links to other cells within the same template or elsewhere in the workbook. Key cell references are described in a column to the right of each template. These descriptions are provided to assist data entry. Cell references refer to the row of the template and not the schedule reference.

Worksheet Completion Sequence

Calculation cells may show an incorrect value until precedent cell entries have been completed. Data entry may be assisted by completing the schedules in the following order:

1. Coversheet
2. Schedules 5a–5e
3. Schedules 6a–6b
4. Schedule 8
5. Schedule 3
6. Schedule 4
7. Schedule 2
8. Schedule 7
9. Schedules 9a–9e
10. Schedule 10

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 1: ANALYTICAL RATIOS

This schedule calculates expenditure, revenue and service ratios from the information disclosed. The disclosed ratios may vary for reasons that are company specific and, as a result, must be interpreted with care. The Commerce Commission will publish a summary and analysis of information disclosed in accordance with the ID determination. This will include information disclosed in accordance with this and other schedules, and information disclosed under the other requirements of the determination.

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

1(i): Expenditure metrics

	Expenditure per GWh energy delivered to ICPs ($/GWh)	Expenditure per average no. of ICPs ($/ICP)	Expenditure per MW maximum coincident system demand ($/MW)	Expenditure per km circuit length ($/km)	Expenditure per MVA of capacity from EDB-owned distribution transformers ($/MVA)
Operational expenditure	14,783	203	62,386	7,168	24,236
Network	7,079	97	29,873	3,432	11,605
Non-network	7,704	106	32,513	3,736	12,631
Expenditure on assets	21,509	295	90,770	10,430	35,262
Network	21,089	289	88,998	10,226	34,574
Non-network	420	6	1,772	204	689

1(ii): Revenue metrics

	Revenue per GWh energy delivered to ICPs ($/GWh)	Revenue per average no. of ICPs ($/ICP)
Total consumer line charge revenue	75,090	1,029
Standard consumer line charge revenue	74,826	1,016
Non-standard consumer line charge revenue	104,450	152,920

1(iii): Service intensity measures

Demand density	115	*Maximum coincident system demand per km of circuit length (for supply) (kW/km)*
Volume density	485	*Total energy delivered to ICPs per km of circuit length (for supply) (MWh/km)*
Connection point density	35	*Average number of ICPs per km of circuit length (for supply) (ICPs/km)*
Energy intensity	13,703	*Total energy delivered to ICPs per average number of ICPs (kWh/ICP)*

1(iv): Composition of regulatory income

	($000)	% of revenue
Operational expenditure	34,017	19.54%
Pass-through and recoverable costs excluding financial incentives and wash-ups	69,443	39.89%
Total depreciation	26,323	15.12%
Total revaluations	9,069	5.21%
Regulatory tax allowance	12,318	7.08%
Regulatory profit/(loss) including financial incentives and wash-ups	40,700	23.38%
Total regulatory income	174,094	

1(v): Reliability

Interruption rate	10.43	*Interruptions per 100 circuit km*

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

This schedule requires information on the Return on Investment (ROI) for the EDB relative to the Commerce Commission's estimates of post tax WACC and vanilla WACC. EDBs must calculate their ROI based on a monthly basis if required by clause 2.3.3 of the ID Determination or if they elect to. If an EDB makes this election, information supporting this calculation must be provided in 2(iii).

EDBs must provide explanatory comment on their ROI in Schedule 14 (Mandatory Explanatory Notes).

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

2(i): Return on Investment

	CY-2 31 Mar 17 %	CY-1 31 Mar 18 %	Current Year CY 31 Mar 19 %
ROI – comparable to a post tax WACC			
Reflecting all revenue earned	7.48%	5.91%	6.48%
Excluding revenue earned from financial incentives	7.48%	5.82%	6.38%
Excluding revenue earned from financial incentives and wash-ups	7.43%	5.76%	6.32%
Mid-point estimate of post tax WACC	4.77%	5.04%	4.75%
25th percentile estimate	4.05%	4.36%	4.07%
75th percentile estimate	5.48%	5.72%	5.43%
ROI – comparable to a vanilla WACC			
Reflecting all revenue earned	8.03%	6.50%	6.99%
Excluding revenue earned from financial incentives	8.03%	6.41%	6.89%
Excluding revenue earned from financial incentives and wash-ups	7.97%	6.35%	6.83%
WACC rate used to set regulatory price path	7.19%	7.19%	7.19%
Mid-point estimate of vanilla WACC	5.31%	5.60%	5.26%
25th percentile estimate	4.59%	4.92%	4.58%
75th percentile estimate	6.03%	6.29%	5.94%

2(ii): Information Supporting the ROI

		($000)	
	Total opening RAB value	611,855	
plus	Opening deferred tax	(33,853)	
Opening RIV			578,002
Line charge revenue			172,789
	Expenses cash outflow	103,460	
add	Assets commissioned	37,191	
less	Asset disposals	–	
add	Tax payments	9,973	
less	Other regulated income	1,305	
Mid-year net cash outflows			149,319
Term credit spread differential allowance			362
	Total closing RAB value	629,323	
less	Adjustment resulting from asset allocation	(2,469)	
less	Lost and found assets adjustment	–	
plus	Closing deferred tax	(36,198)	
Closing RIV			595,594
ROI – comparable to a vanilla WACC			6.99%
	Leverage (%)		42%
	Cost of debt assumption (%)		4.33%
	Corporate tax rate (%)		28%
ROI – comparable to a post tax WACC			6.48%

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 2: REPORT ON RETURN ON INVESTMENT

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sch ref

2(iii): Information Supporting the Monthly ROI

Opening RIV — N/A

	Line charge revenue	Expenses cash outflow	Assets commissioned	Asset disposals	Other regulated income	Monthly net cash outflows
April						–
May						–
June						–
July						–
August						–
September						–
October						–
November						–
December						–
January						–
February						–
March						–
Total	–	–	–	–	–	–

Tax payments — N/A

Term credit spread differential allowance — N/A

Closing RIV — N/A

Monthly ROI – comparable to a vanilla WACC — N/A

Monthly ROI – comparable to a post tax WACC — N/A

2(iv): Year-End ROI Rates for Comparison Purposes

Year-end ROI – comparable to a vanilla WACC — 6.61%

Year-end ROI – comparable to a post tax WACC — 6.10%

** these year-end ROI values are comparable to the ROI reported in pre 2012 disclosures by EDBs and do not represent the Commission's current view on ROI.*

2(v): Financial Incentives and Wash-Ups

Net recoverable costs allowed under incremental rolling incentive scheme	1,875	
Purchased assets – avoided transmission charge	–	
Energy efficiency and demand incentive allowance		
Quality incentive adjustment	(1,119)	
Other financial incentives	–	
Financial incentives		756

Impact of financial incentives on ROI — 0.10%

Input methodology claw-back	–	
CPP application recoverable costs	–	
Catastrophic event allowance	–	
Capex wash-up adjustment	489	
Transmission asset wash-up adjustment	–	
2013–15 NPV wash-up allowance	–	
Reconsideration event allowance	–	
Other wash-ups	–	
Wash-up costs		489

Impact of wash-up costs on ROI — 0.06%

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref				
7	**3(i): Regulatory Profit**			**($000)**
8		**Income**		
9		Line charge revenue		172,789
10	*plus*	Gains / (losses) on asset disposals		–
11	*plus*	Other regulated income (other than gains / (losses) on asset disposals)		1,305
12				
13		**Total regulatory income**		174,094
14		**Expenses**		
15	*less*	Operational expenditure		34,017
16				
17	*less*	Pass-through and recoverable costs excluding financial incentives and wash-ups		69,443
18				
19		**Operating surplus / (deficit)**		70,634
20				
21	*less*	Total depreciation		26,323
22				
23	*plus*	Total revaluations		9,069
24				
25		**Regulatory profit / (loss) before tax**		53,380
26				
27	*less*	Term credit spread differential allowance		362
28				
29	*less*	Regulatory tax allowance		12,318
30				
31		**Regulatory profit/(loss) including financial incentives and wash-ups**		40,700
32				
33	**3(ii): Pass-through and Recoverable Costs excluding Financial Incentives and Wash-Ups**		**($000)**	
34		**Pass through costs**		
35		Rates	2,858	
36		Commerce Act levies	286	
37		Industry levies	561	
38		CPP specified pass through costs	94	
39		**Recoverable costs excluding financial incentives and wash-ups**		
40		Electricity lines service charge payable to Transpower	61,713	
41		Transpower new investment contract charges	1,182	
42		System operator services	–	
43		Distributed generation allowance	2,749	
44		Extended reserves allowance	–	
45		Other recoverable costs excluding financial incentives and wash-ups	–	
46		**Pass-through and recoverable costs excluding financial incentives and wash-ups**		69,443
47				

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 3: REPORT ON REGULATORY PROFIT

This schedule requires information on the calculation of regulatory profit for the EDB for the disclosure year. All EDBs must complete all sections and provide explanatory comment on their regulatory profit in Schedule 14 (Mandatory Explanatory Notes).

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sch ref

3(iii): Incremental Rolling Incentive Scheme

($000)

		CY-1 31 Mar 18	CY 31 Mar 19
51	Allowed controllable opex	32,914	34,131
52	Actual controllable opex	33,311	34,017
53			
54	Incremental change in year		114
55			

			Previous years' incremental change	Previous years' incremental change adjusted for inflation
57	CY-5	31 Mar 14	–	–
58	CY-4	31 Mar 15	–	–
59	CY-3	31 Mar 16	1,277	1,277
60	CY-2	31 Mar 17	598	598
61	CY-1	31 Mar 18	–	–
62	**Net incremental rolling incentive scheme**			1,875
63				
64	**Net recoverable costs allowed under incremental rolling incentive scheme**			1,875

3(iv): Merger and Acquisition Expenditure

		($000)
66	Merger and acquisition expenditure	–
67		
68	*Provide commentary on the benefits of merger and acquisition expenditure to the electricity distribution business, including required disclosures in accordance with section 2.7, in Schedule 14 (Mandatory Explanatory Notes)*	

3(v): Other Disclosures

		($000)
71	Self-insurance allowance	–

Company Name **Wellington Electricity Lines Limited**
For Year Ended **31 March 2019**

SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.
EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(i): Regulatory Asset Base Value (Rolled Forward)

	for year ended	RAB 31 Mar 15 ($000)	RAB 31 Mar 16 ($000)	RAB 31 Mar 17 ($000)	RAB 31 Mar 18 ($000)	RAB 31 Mar 19 ($000)
	Total opening RAB value	569,510	586,689	591,580	602,562	611,855
less	**Total depreciation**	21,397	24,829	26,498	28,765	26,323
plus	**Total revaluations**	476	3,438	12,800	6,590	9,069
plus	**Assets commissioned**	38,100	26,282	24,695	31,469	37,191
less	**Asset disposals**	–	–	16	–	–
plus	**Lost and found assets adjustment**	–	–	–	–	–
plus	**Adjustment resulting from asset allocation**	(0)	–	–	–	(2,469)
	Total closing RAB value	586,689	591,580	602,562	611,855	629,323

4(ii): Unallocated Regulatory Asset Base

		Unallocated RAB * ($000)	Unallocated RAB * ($000)	RAB ($000)	RAB ($000)
	Total opening RAB value		611,855		611,855
less					
	Total depreciation		26,323		26,323
plus					
	Total revaluations		9,069		9,069
plus					
	Assets commissioned (other than below)	37,191		37,191	
	Assets acquired from a regulated supplier				
	Assets acquired from a related party				
	Assets commissioned		37,191		37,191
less					
	Asset disposals (other than below)				
	Asset disposals to a regulated supplier				
	Asset disposals to a related party				
	Asset disposals		–		–
plus	**Lost and found assets adjustment**				
plus	**Adjustment resulting from asset allocation**				(2,469)
	Total closing RAB value		631,792		629,323

** The 'unallocated RAB' is the total value of those assets used wholly or partially to provide electricity distribution services without any allowance being made for the allocation of costs to services provided by the supplier that are not electricity distribution services. The RAB value represents the value of these assets after applying this cost allocation. Neither value includes works under construction.*

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.
EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

4(iii): Calculation of Revaluation Rate and Revaluation of Assets

sch ref			
54		CPI_4	1,026
55		CPI_4^{-4}	1,011
56		Revaluation rate (%)	1.48%

			Unallocated RAB *		RAB	
59			($000)	($000)	($000)	($000)
60		Total opening RAB value	611,855		611,855	
61	*less*	Opening value of fully depreciated, disposed and lost assets	590		590	
63		Total opening RAB value subject to revaluation	611,265		611,265	
64		**Total revaluations**		9,069		9,069

4(iv): Roll Forward of Works Under Construction

			Unallocated works under construction		Allocated works under construction	
68		**Works under construction—preceding disclosure year**		11,186		11,186
69	*plus*	Capital expenditure	43,609		43,609	
70	*less*	Assets commissioned	37,191		37,191	
71	*plus*	Adjustment resulting from asset allocation				
72		**Works under construction - current disclosure year**		17,604		17,604
74		Highest rate of capitalised finance applied				6.86%

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 4: REPORT ON VALUE OF THE REGULATORY ASSET BASE (ROLLED FORWARD)

This schedule requires information on the calculation of the Regulatory Asset Base (RAB) value to the end of this disclosure year. This informs the ROI calculation in Schedule 2.
EDBs must provide explanatory comment on the value of their RAB in Schedule 14 (Mandatory Explanatory Notes). This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

4(v): Regulatory Depreciation

	Unallocated RAB * ($000)	($000)	RAB ($000)	($000)
Depreciation - standard	22,994		22,994	
Depreciation - no standard life assets	3,329		3,329	
Depreciation - modified life assets				
Depreciation - alternative depreciation in accordance with CPP				
Total depreciation		26,323		26,323

4(vi): Disclosure of Changes to Depreciation Profiles

($000 unless otherwise specified)

Asset or assets with changes to depreciation*	Reason for non-standard depreciation (text entry)	Depreciation charge for the period (RAB)	Closing RAB value under 'non-standard' depreciation	Closing RAB value under 'standard' depreciation
N/A				

** include additional rows if needed*

4(vii): Disclosure by Asset Category

($000 unless otherwise specified)

		Subtransmission lines	Subtransmission cables	Zone substations	Distribution and LV lines	Distribution and LV cables	Distribution substations and transformers	Distribution switchgear	Other network assets	Non-network assets	Total	
	Total opening RAB value	2,670	51,974	50,931	148,041	209,704	96,687	32,493	11,136	8,218	611,855	
less	Total depreciation	149	3,411	2,332	3,919	8,980	3,543	1,814	250	1,925	26,323	
plus	Total revaluations	40	689	826	2,291	3,081	1,429	463	128	122	9,069	
plus	Assets commissioned	–	–	3,697	15,291	4,708	8,398	1,006	3,426	665	37,191	
less	Asset disposals										–	
plus	Lost and found assets adjustment										–	
plus	Adjustment resulting from asset allocation				(2,469)						(2,469)	
plus	Asset category transfers										–	
	Total closing RAB value	2,562	49,252	53,123	159,235	208,514	102,969	32,148	14,440	7,080	629,323	
	Asset Life											
	Weighted average remaining asset life	17.8	15.1	21.1	35.1	23.1	25.7	17.8	32.5	4.5		(years)
	Weighted average expected total asset life	47.1	54.9	44.1	54.5	53.8	50.4	37.1	37.2	11.0		(years)

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section

sch ref					
7	**5a(i): Regulatory Tax Allowance**				**($000)**
8		**Regulatory profit / (loss) before tax**			53,380
9					
10	*plus*	Income not included in regulatory profit / (loss) before tax but taxable	–	*	
11		Expenditure or loss in regulatory profit / (loss) before tax but not deductible	44	*	
12		Amortisation of initial differences in asset values	7,151		
13		Amortisation of revaluations	3,133		
14					10,327
15					
16	*less*	Total revaluations	9,069		
17		Income included in regulatory profit / (loss) before tax but not taxable	–	*	
18		Discretionary discounts and customer rebates	–		
19		Expenditure or loss deductible but not in regulatory profit / (loss) before tax	–	*	
20		Notional deductible interest	10,646		
21					19,715
22					
23		**Regulatory taxable income**			43,992
24					
25	*less*	Utilised tax losses	–		
26		Regulatory net taxable income			43,992
27					
28		Corporate tax rate (%)	28%		
29		**Regulatory tax allowance**			12,318
30					
31	* Workings to be provided in Schedule 14				
32	**5a(ii): Disclosure of Permanent Differences**				
33	In Schedule 14, Box 5, provide descriptions and workings of items recorded in the asterisked categories in Schedule 5a(i).				
34	**5a(iii): Amortisation of Initial Difference in Asset Values**				**($000)**
35					
36		Opening unamortised initial differences in asset values	98,210		
37	*less*	Amortisation of initial differences in asset values	7,151		
38	*plus*	Adjustment for unamortised initial differences in assets acquired			
39	*less*	Adjustment for unamortised initial differences in assets disposed			
40		Closing unamortised initial differences in asset values			91,060
41					
42		Opening weighted average remaining useful life of relevant assets (years)			14
43					

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5a: REPORT ON REGULATORY TAX ALLOWANCE

This schedule requires information on the calculation of the regulatory tax allowance. This information is used to calculate regulatory profit/loss in Schedule 3 (regulatory profit). EDBs must provide explanatory commentary on the information disclosed in this schedule, in Schedule 14 (Mandatory Explanatory Notes).
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sch ref					
44	**5a(iv): Amortisation of Revaluations**				**($000)**
45					
46		Opening sum of RAB values without revaluations		556,623	
47					
48		Adjusted depreciation		23,190	
49		Total depreciation		26,323	
50		Amortisation of revaluations			3,133
51					
52	**5a(v): Reconciliation of Tax Losses**				**($000)**
53					
54		**Opening tax losses**		–	
55	*plus*	Current period tax losses		–	
56	*less*	Utilised tax losses		–	
57		**Closing tax losses**			–
58	**5a(vi): Calculation of Deferred Tax Balance**				**($000)**
59					
60		**Opening deferred tax**		(33,853)	
61					
62	*plus*	Tax effect of adjusted depreciation		6,493	
63					
64	*less*	Tax effect of tax depreciation		8,062	
65					
66	*plus*	Tax effect of other temporary differences*		534	
67					
68	*less*	Tax effect of amortisation of initial differences in asset values		2,002	
69					
70	*plus*	Deferred tax balance relating to assets acquired in the disclosure year		–	
71					
72	*less*	Deferred tax balance relating to assets disposed in the disclosure year		–	
73					
74	*plus*	Deferred tax cost allocation adjustment		691	
75					
76		**Closing deferred tax**			(36,198)
77					
78	**5a(vii): Disclosure of Temporary Differences**				
79		*In Schedule 14, Box 6, provide descriptions and workings of items recorded in the asterisked category in Schedule 5a(vi) (Tax effect of other temporary differences).*			
80					
81	**5a(viii): Regulatory Tax Asset Base Roll-Forward**				
82					**($000)**
83		**Opening sum of regulatory tax asset values**		351,371	
84	*less*	Tax depreciation		28,793	
85	*plus*	Regulatory tax asset value of assets commissioned		37,290	
86	*less*	Regulatory tax asset value of asset disposals		–	
87	*plus*	Lost and found assets adjustment			
88	*plus*	Adjustment resulting from asset allocation			
89	*plus*	Other adjustments to the RAB tax value			
90		**Closing sum of regulatory tax asset values**			359,868

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5b: REPORT ON RELATED PARTY TRANSACTIONS

This schedule provides information on the valuation of related party transactions, in accordance with clause 2.3.6 of the ID determination.
This information is part of audited disclosure information (as defined in clause 1.4 of the ID determination), and so is subject to the assurance report required by clause 2.8.

sch ref

5b(i): Summary—Related Party Transactions

		($000)	($000)
8	**Total regulatory income**		15
9			
10	**Market value of asset disposals**		–
11			
12	Service interruptions and emergencies	–	
13	Vegetation management	–	
14	Routine and corrective maintenance and inspection	1,636	
15	Asset replacement and renewal (opex)	–	
16	**Network opex**		1,636
17	Business support	5,025	
18	System operations and network support	4,996	
19	**Operational expenditure**		11,657
20	Consumer connection	625	
21	System growth	88	
22	Asset replacement and renewal (capex)	1,775	
23	Asset relocations	109	
24	Quality of supply	199	
25	Legislative and regulatory	–	
26	Other reliability, safety and environment	47	
27	**Expenditure on non-network assets**		48
28	**Expenditure on assets**		2,892
29	Cost of financing		10
30	Value of capital contributions		
31	Value of vested assets		
32	**Capital Expenditure**		2,903
33	**Total expenditure**		14,560
34			
35	**Other related party transactions**		

5b(iii): Total Opex and Capex Related Party Transactions

37	Name of related party	Nature of opex or capex service provided	Total value of transactions ($000)
38	International Infrastructure Services Company Limited - NZ Branch (IISC)	Routine and corrective maintenance and inspection	1,636
39	International Infrastructure Services Company Limited - NZ Branch (IISC)	Business support	4,906
40	International Infrastructure Services Company Limited - NZ Branch (IISC)	System operations and network support	4,996
41	International Infrastructure Services Company Limited - NZ Branch (IISC)	Other reliability, safety and environment	47
42	International Infrastructure Services	Consumer connection	625
43	International Infrastructure Services Company Limited - NZ Branch (IISC)	Asset replacement and renewal (capex)	1,775
44	International Infrastructure Services Company Limited - NZ Branch (IISC)	Quality of supply	199
45	International Infrastructure Services Company Limited - NZ Branch (IISC)	System growth	17
46	International Infrastructure Services Company Limited - NZ Branch (IISC)	Asset relocations	109
47	CHED Services Pty Limited	System growth	71
48	CHED Services Pty Limited	Expenditure on non-network assets	48
49	CHED Services Pty Limited	Business support	41
50	Cheung Kong Infrastructure Holdings Limited	Business support	78
51	Enviro (NZ) Limited	Business support	0
52		[Select one]	
53	**Total value of related party transactions**		14,549

54 ** include additional rows if needed*
55

Related Party Disclosure Supporting Documentation:

ID clause 2.3.8
Consistent with disclosure S5b, WELL transacts with the following related parties:
International Infrastructure Services Company Limited - NZ Branch (IISC) - Provides front and back office services to utility providers. These include Asset Management, Financial and Commercial Operations, Regulation, Project Management, Network Operations, Information Technology and Quality, Safety and Environment Management.
Cheung Kong Infrastructure Holdings Limited – A global infrastructure company with diversified investments in Energy Infrastructure, Transportation Infrastructure, Water Infrastructure, Waste Management, Waste-to-energy, Household Infrastructure and other Infrastructure related Business.
CHED Services PTY Limited – CHED services provide specialist corporate and metering services for a number of clients. These services include: Finance and Tax, Company Secretarial and Legal, Human Resources, Corporate Affairs, Regulation, Customer Services, Information technology and Office Administration.
Enviro (NZ) Limited – Provides Innovative, safe and sustainable resource recovery and management. WELL obtain cost recoveries from Enviro (NZ) Limited as well as obtaining recycling services from them. The costs involved are less than $500 P/A and purchased on the open market.

The relationships between the companies are as follows
Same ultimate beneficial owners
- IISC
- Cheung Kong Infrastructure Holdings Limited
- Enviro (NZ) Limited

Controlling shareholder in common
- CHED Services PTY Limited
- The total annual expenditure between WELL and the related parties can be seen in S5b

ID Clause 2.3.10
Summary of current policy

It is envisaged that Wellington Electricity may procure goods and services from related party companies when it is economically and commercially viable for both the company and its customers. Wellington Electricity will ensure when entering into a third party relationship that it complies with relevant laws and regulations. As a result Wellington Electricity has the following guidance in place for material transactions involving related parties. This guidance is in place to mitigate the risk (actual and perceived) that the transactions are not arms-length.

Wellington Electricity shall not procure goods or services from a related party without either a third party independent benchmarking report or directly comparable quotes.

Costs and benefits may be compared in-house following the standard procurement process if the goods or services are the same or substantially similar to those offered by non-related parties.

If costs relating to the goods or services are not easily comparable with market information, a third party independent benchmarking report(s) must be provided by a reputable company with relevant experience to conduct a benchmarking report. This is to be used when there is limited information or comparability surrounding the goods or services being provided. This may be the case due to the limited size of the New Zealand Market. This is extremely important as it ensures that consumers are not disadvantaged by any transaction.

Further efficiencies may be gained by entering into long term contracts, these must be reviewed on a regular basis and have clauses for termination of the contract to avoid the economic benefits being eroded over time

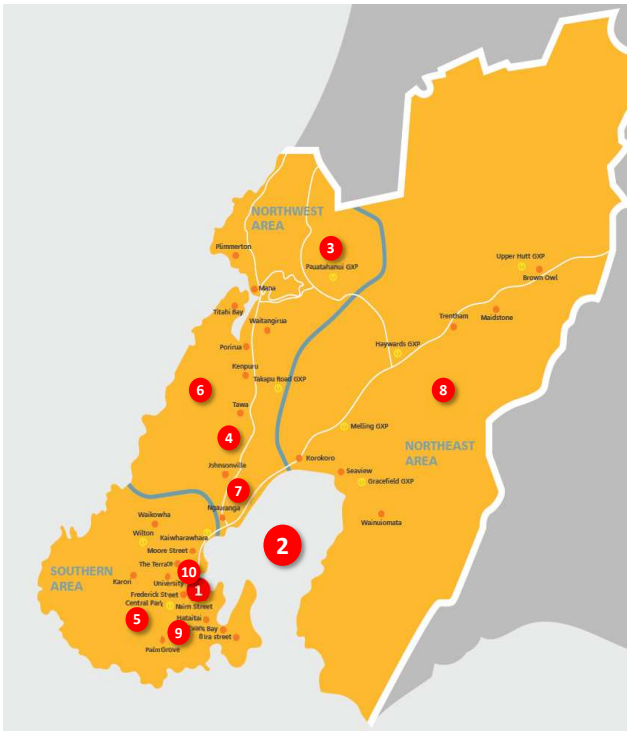
ID Clause 2.3.12
(1) When procuring from a related party Wellington Electricity will do either of the following. Put out a competitive tender for the goods or services which will be judged on subjective measures if there is an active market for the good or service, or have an independent third party perform benchmarking over the goods or services being procured if the information is not readily available.
(2) Wellington Electricity does not have any policies or procedures that require or have the effect of requiring a consumer to purchase assets or goods or services from a related party.
(3) In the disclosure year the contract between Wellington Electricity and IISC was renegotiated. Since there is no active market for the services provided, KPMG and Strategic Pay were engaged to benchmark the costs involved.
(4) The arm's length nature is determined through the use of independent benchmarking reports. These were performed in June and September respectively to be ready to negotiate the contracts for FY19
(5) Wellington Electricity does not consider the procurement of assets or goods or services from a related party to differ significantly between expenditure categories

Related Party Disclosure Supporting Documentation for ID clause 2.3.13 and 2.3.14

- WELL does not have any operating expenditure projects
- WELL's largest 10 capex projects by cost are (as provided by the 2019 AMP):

Map refn	Project	Estimated Cost $0	Location	Timing	Constraint alleviated	AMP refn	Supply of assets, goods or services by related party
1	Frederick Street Sub transmission Cable Replacement and Protection Upgrade	7,300	Southern Wellington Area	2019-2021	The sustained peak load supplied by Frederick Street Zone Substation currently exceeds the cyclic N-1 capacity of the sub transmission supply cables.	8.4.2.1	Currently not indicated for supply by a related party
2	Average cost of annual pole replacement programme	7,220	Across the entire network	Annual	Replacement and renewal of pole fleet based on the results of testing and the asset health and asset criticality indicators. Meets regulatory requirements in terms of managing tagged poles.	7.5.3.3	Currently not indicated for supply by a related party
3	New Pauatahanui Zone Substation and distribution links to Waitangirua and Mana/Plimmerton	5,600	Porirua	2021-2025	Should the 33 kV circuit supplying either Mana or Plimmerton zone substations be out of service, the peak load cannot be supplied through the existing 11 kV tie cable and load transfer to other zone substations is required. The single transformer at either Mana or Plimmerton cannot supply the combined peak load for the two sites. There is a risk that future step change loading at Mana and Plimmerton will reduce the available transfer capacity and post contingency offload will be less effective.	8.5.2.1	Currently not indicated for supply by a related party
4	Johnsonville A 33kV Cable replacement	5,500	Northwestern Wellington Area	2024-2026	Removes the risk of the Johnsonville A Sub-Tx cable which has the second worst asset health index of all sub-tx cables on the network. Analysis during 2015 showed that the oil-filled cables on the Johnsonville A circuit were demonstrating a small but consistent rate of fluid leakage. In 2016 this leak was identified as occurring within an area immediately outside the substation at a transition joint which was fixed in 2017. The joint has been monitored and there have been no further leaks. However, this is the second recent leak in these cables and a complete cable replacement may be undertaken towards the end of the planning period.	7.5.1	Currently not indicated for supply by a related party
5	Allowance for minor cable reinforcement works - Southern area	4,400	Southern Wellington Area	2019-2028	Contingency analysis has indicated that a number of feeders in the Southern area may exceed their rated capacity with the sudden loss of an associated feeder. There is a possibility that this may lead to cascade tripping of the remaining in-service ring feeders following a feeder tripping.	8.4.2.2	Currently not indicated for supply by a related party
6	Allowance for minor cable reinforcement works - Northwestern area	4,200	Northwestern Wellington Area	2019-2028	Contingency analysis has indicated that a number of feeders in the Northwestern area may exceed their rated capacity with the sudden loss of an associated feeder. There is a possibility that this may lead to cascade tripping of the remaining in-service ring feeders following a feeder tripping.	8.6.2.2	Currently not indicated for supply by a related party
7	Replace the Ngauranga Transformers	4,200	Ngauranga	2022-2023	The existing transformers at Ngauranga are at an advanced age and constrain capacity for growth in the Johnsonville, Newlands, Woodridge and Grenada areas.	8.5.4	Currently not indicated for supply by a related party
8	Allowance for minor cable reinforcement works - Northeastern area	4,000	Northeastern Wellington area	2021-2028	Contingency analysis has indicated that a number of feeders in the Northeastern area may exceed their rated capacity with the sudden loss of an associated feeder. There is a possibility that this may lead to cascade tripping of the remaining in-service ring feeders following a feeder tripping.	8.6.2.2	Currently not indicated for supply by a related party
9	Palm Grove HV Ties	3,000	Southern Wellington Area	2026-2027	The peak demand at Palm Grove exceeds the N-1 transformer cyclic capacity during winter. The magnitude of this breach is expected to increase due to organic and step change load growth, as well as the impact of the additional capacity at the public hospital, private hospital and EV buses.	8.4.2.1	Currently not indicated for supply by a related party
10	University 33kV cable replacement	3,000	Southern Wellington Area	2026-2028	Removes the risk of the University Sub-Tx cables which have the third worst asset health index of all sub-tx cables on the network. The gas-filled University cables were largely replaced, however approximately 500 metres of gas cable remains in each circuit. These cables have a high criticality due to University Zone Substation supplying a portion of the Wellington CBD. As discussed in the AMP, both circuits experienced faults on their XLPE sections during 2015, and analysis of the faults revealed issues around premature ageing of the cable insulation. Full replacement of both the gas-filled and XLPE cables are expected to be required within the next 10 years, and is provisionally planned to start in 2026.	7.5.1	Currently not indicated for supply by a related party

Network map of the 10 largest capital projects



Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5c: REPORT ON TERM CREDIT SPREAD DIFFERENTIAL ALLOWANCE

This schedule is only to be completed if, as at the date of the most recently published financial statements, the weighted average original tenor of the debt portfolio (both qualifying debt and non-qualifying debt) is greater than five years.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5c(i): Qualifying Debt (may be Commission only)

5c(ii): Attribution of Term Credit Spread Differential

20	**Gross term credit spread differential**		698
22	Total book value of interest bearing debt	501,913	
23	Leverage	42%	
24	Average opening and closing RAB values	620,589	
25	**Attribution Rate (%)**		52%
27	**Term credit spread differential allowance**		362

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(i): Operating Cost Allocations

	Value allocated ($000s)				
	Arm's length deduction	Electricity distribution services	Non-electricity distribution services	Total	OVABAA allocation increase ($000s)
Service interruptions and emergencies					
Directly attributable		5,151			
Not directly attributable		–		–	–
Total attributable to regulated service		5,151			
Vegetation management					
Directly attributable		1,549			
Not directly attributable		–		–	–
Total attributable to regulated service		1,549			
Routine and corrective maintenance and inspection					
Directly attributable		7,863			
Not directly attributable		630	16	647	–
Total attributable to regulated service		8,494			
Asset replacement and renewal					
Directly attributable		1,095			
Not directly attributable				–	–
Total attributable to regulated service		1,095			
System operations and network support					
Directly attributable		6,077			
Not directly attributable				–	–
Total attributable to regulated service		6,077			
Business support					
Directly attributable		11,652			
Not directly attributable			31	31	–
Total attributable to regulated service		11,652			
Operating costs directly attributable		33,387			
Operating costs not directly attributable	–	630	47	678	–
Operational expenditure		34,017			

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5d(ii): Other Cost Allocations

		($000)
	Pass through and recoverable costs	
	Pass through costs	
	Directly attributable	3,799
	Not directly attributable	–
	Total attributable to regulated service	3,799
	Recoverable costs	
	Directly attributable	65,644
	Not directly attributable	–
	Total attributable to regulated service	65,644

5d(iii): Changes in Cost Allocations* †

				($000)	
				CY-1	**Current Year (CY)**
	Change in cost allocation 1				
	Cost category	Routine and corrective maintenance	Original allocation		7,880
	Original allocator or line items	No Allocation Under ACAM as costs unavoidable	New allocation		7,863
	New allocator or line items	Proxy	Difference	–	16
	Rationale for change	Routine and corrective maintenance is an unavoidable cost for the regulated business and is crucial to network integrity. WELL also derives unregulated revenue from some poles in the form of rental for space on the pole for fibre connections. Previously under the Avoidable Cost Allocation Methodology ("ACAM") method of cost allocation, no costs were allocated to the unregulated portion of the business. With ACAM method no longer being an accepted method of cost allocation, WELL has adopted the Accounting-based allocation (ABAA) approach. There are two types of costs relating to the unregulated pole services: (1) Installation costs: Installation costs incurred by WELL are the largest costs incurred in relation to the unregulated pole services. These costs sit outside of the regulatory cost base and are excluded from the information disclosures. (2) On-going pole maintenance: Pole maintenance is performed annually and ad-hoc. This is driven by the needs of the regulated business and not the fibre services - therefore there is no causal allocator available for these costs in relation to the unregulated portion of income. We have therefore allocated a portion of these costs to the unregulated business using a proxy allocator of the surface area of the pole used to house fibre equipment (as outlined in as per S5e).		

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5d: REPORT ON COST ALLOCATIONS

This schedule provides information on the allocation of operational costs. EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any reclassifications.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

($000)

Change in cost allocation 2

			CY-1	Current Year (CY)
Cost category	Business Support	Original allocation		
Original allocator or line items	No Allocation Under ACAM as costs unavoidable	New allocation		
New allocator or line items	Causal	Difference	–	–

Rationale for change

These costs are generic business support costs which were previously not allocated under ACAM due to the costs being unavoidable. With ACAM no longer being an accepted cost allocation method, WELL has adopted the ABAA approach. Business support services support unregulated services of rental of pole space for fibre, other leased assets not included in the RAB, loss rental rebates and instantaneous reserve revenue. Business support costs are allocated to these unregulated services using causal drivers. A causal driver has been selected because the activities to derive the revenue can be identified and the value associated to it can be calculated and separated from the regulated activities.

If the non-regulatory revenue streams did not exist, WELL would still incur the business support costs held in the regulatory business. Any business support costs directly relating to unregulated revenue have not been included in ID disclosures as a regulatory cost.

($000)

Change in cost allocation 3

			CY-1	Current Year (CY)
Cost category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–

Rationale for change

** a change in cost allocation must be completed for each cost allocator change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component.*

† include additional rows if needed

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 5e: REPORT ON ASSET ALLOCATIONS

This schedule requires information on the allocation of asset values. This information supports the calculation of the RAB value in Schedule 4.
EDBs must provide explanatory comment on their cost allocation in Schedule 14 (Mandatory Explanatory Notes), including on the impact of any changes in asset allocations. This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

5e(i): Regulated Service Asset Values

	Value allocated ($000s) Electricity distribution services
Subtransmission lines	
Directly attributable	2,562
Not directly attributable	–
Total attributable to regulated service	2,562
Subtransmission cables	
Directly attributable	49,252
Not directly attributable	–
Total attributable to regulated service	49,252
Zone substations	
Directly attributable	53,123
Not directly attributable	–
Total attributable to regulated service	53,123
Distribution and LV lines	
Directly attributable	45,174
Not directly attributable	114,061
Total attributable to regulated service	159,235
Distribution and LV cables	
Directly attributable	208,514
Not directly attributable	–
Total attributable to regulated service	208,514
Distribution substations and transformers	
Directly attributable	102,969
Not directly attributable	–
Total attributable to regulated service	102,969
Distribution switchgear	
Directly attributable	32,148
Not directly attributable	–
Total attributable to regulated service	32,148
Other network assets	
Directly attributable	14,440
Not directly attributable	–
Total attributable to regulated service	14,440
Non-network assets	
Directly attributable	7,080
Not directly attributable	–
Total attributable to regulated service	7,080
Regulated service asset value directly attributable	515,262
Regulated service asset value not directly attributable	114,061
Total closing RAB value	629,323

5e(ii): Changes in Asset Allocations* †

Change in asset value allocation 1

			($000) CY-1	Current Year (CY)
Asset category	Distribution and LV Lines	Original allocation	–	161,704
Original allocator or line items	No Allocater under ACAM	New allocation	–	159,235
New allocator or line items	Surface area of poles taken up by fibre nodes	Difference	–	2,469

Rationale for change

Previously under the ACAM method, these Pole Assets were not allocated between the regulated and non-regulated parts of the business for fibre connections. This is due to the primary use of the poles is to provide regulated distribution services. The fibre equipment which also uses the poles is an incidental and incremental service – if the fibre connections did not exist, the poles would still be needed to provide distribution services. No assets have been commissioned and held in the regulated RAB for the sole purpose of providing fibre.

With the ACAM method no longer being an acceptable cost allocation method, WELL has adopted the ABAA method. WELL is unable to identify a direct causal relationship between the pole RAB and the unregulated revenue because of the reasons outlined above. WELL has therefore applied a proxy allocator for the allocation of RAB between attributable and not directly attributable. The proxy allocator used is surface area of the pole. Surface area represents the portion of the pole that external parties are leasing to attach fibre connections too. The surface area of a pole used to attach fibre equipment has been calculated to be 2.25% of a pole. This percentage is applied to the average number of poles with a fibre connection, in the regulatory year.

Change in asset value allocation 2

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–

Rationale for change: N/A

Change in asset value allocation 3

			($000) CY-1	Current Year (CY)
Asset category		Original allocation		
Original allocator or line items		New allocation		
New allocator or line items		Difference	–	–

Rationale for change: N/A

** a change in asset allocation must be completed for each allocator or component change that has occurred in the disclosure year. A movement in an allocator metric is not a change in allocator or component*
† include additional rows if needed

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs.
EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

6a(i): Expenditure on Assets

			($000)	($000)
8		Consumer connection		9,931
9		System growth		302
10		Asset replacement and renewal		24,627
11		Asset relocations		1,762
12		Reliability, safety and environment:		
13		Quality of supply	3,011	
14		Legislative and regulatory	–	
15		Other reliability, safety and environment	8,896	
16		**Total reliability, safety and environment**		11,907
17		**Expenditure on network assets**		48,528
18		Expenditure on non-network assets		966
19				
20		**Expenditure on assets**		49,494
21	*plus*	Cost of financing		165
22	*less*	Value of capital contributions		6,051
23	*plus*	Value of vested assets		–
24				
25		**Capital expenditure**		43,609

6a(ii): Subcomponents of Expenditure on Assets (where known)

		($000)
27	Energy efficiency and demand side management, reduction of energy losses	
28	Overhead to underground conversion	
29	Research and development	

6a(iii): Consumer Connection

	*Consumer types defined by EDB**	($000)	($000)
32	Substation	2,474	
33	Subdivision	4,359	
34	High Voltage Connection	82	
35	Residential & Commercial Customers (low Voltage)	2,874	
36	Public Lighting	142	
37	** include additional rows if needed*		
38	**Consumer connection expenditure**		9,931
39			
40 *less*	Capital contributions funding consumer connection expenditure	4,024	
41	**Consumer connection less capital contributions**		5,907

6a(iv): System Growth and Asset Replacement and Renewal

		System Growth ($000)	Asset Replacement and Renewal ($000)
45	Subtransmission	–	336
46	Zone substations	2	1,067
47	Distribution and LV lines	–	12,202
48	Distribution and LV cables	300	3,265
49	Distribution substations and transformers	–	3,451
50	Distribution switchgear		3,723
51	Other network assets	–	583
52	**System growth and asset replacement and renewal expenditure**	302	24,627
53 *less*	Capital contributions funding system growth and asset replacement and renewal		
54	**System growth and asset replacement and renewal less capital contributions**	302	24,627
55			

6a(v): Asset Relocations

	*Project or programme**	($000)	($000)
58	Asset Relocations	1,762	
59	[Description of material project or programme]		
60	[Description of material project or programme]		
61	[Description of material project or programme]		
62	[Description of material project or programme]		
63	** include additional rows if needed*		
64	All other projects or programmes - asset relocations		
65	**Asset relocations expenditure**		1,762
66 *less*	Capital contributions funding asset relocations	2,027	
67	**Asset relocations less capital contributions**		(266)

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 6a: REPORT ON CAPITAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of capital expenditure on assets incurred in the disclosure year, including any assets in respect of which capital contributions are received, but excluding assets that are vested assets. Information on expenditure on assets must be provided on an accounting accruals basis and must exclude finance costs.
EDBs must provide explanatory comment on their expenditure on assets in Schedule 14 (Explanatory Notes to Templates).
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

6a(vi): Quality of Supply

		($000)	($000)
	*Project or programme**		
	Reliability Improvement Projects	3,011	
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	* include additional rows if needed		
	All other projects programmes - quality of supply		
	Quality of supply expenditure		3,011
less	Capital contributions funding quality of supply		
	Quality of supply less capital contributions		3,011

6a(vii): Legislative and Regulatory

		($000)	($000)
	*Project or programme**		
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	* include additional rows if needed		
	All other projects or programmes - legislative and regulatory		
	Legislative and regulatory expenditure		–
less	Capital contributions funding legislative and regulatory		
	Legislative and regulatory less capital contributions		–

6a(viii): Other Reliability, Safety and Environment

		($000)	($000)
	*Project or programme**		
	Streamlined CPP	8,312	
	Seismic Strengthening	584	
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	* include additional rows if needed		
	All other projects or programmes - other reliability, safety and environment		
	Other reliability, safety and environment expenditure		8,896
less	Capital contributions funding other reliability, safety and environment		
	Other reliability, safety and environment less capital contributions		8,896

6a(ix): Non-Network Assets

Routine expenditure

		($000)	($000)
	*Project or programme**		
	Software	70	
	IT Infrastructure	484	
	Streamlined CPP	150	
	[Description of material project or programme]		
	[Description of material project or programme]		
	* include additional rows if needed		
	All other projects or programmes - routine expenditure		
	Routine expenditure		704

Atypical expenditure

		($000)	($000)
	*Project or programme**		
	Office Equipment	262	
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	[Description of material project or programme]		
	* include additional rows if needed		
	All other projects or programmes - atypical expenditure		
	Atypical expenditure		262
	Expenditure on non-network assets		966

Company Name	ellington Electricity Lines Limit
For Year Ended	31 March 2019

SCHEDULE 6b: REPORT ON OPERATIONAL EXPENDITURE FOR THE DISCLOSURE YEAR

This schedule requires a breakdown of operational expenditure incurred in the disclosure year.
EDBs must provide explanatory comment on their operational expenditure in Schedule 14 (Explanatory notes to templates). This includes explanatory comment on any atypical operational expenditure and assets replaced or renewed as part of asset replacement and renewal operational expenditure, and additional information on insurance.
This information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref		($000)	($000)
7	**6b(i): Operational Expenditure**		
8	Service interruptions and emergencies	5,151	
9	Vegetation management	1,549	
10	Routine and corrective maintenance and inspection	8,494	
11	Asset replacement and renewal	1,095	
12	**Network opex**		16,289
13	System operations and network support	6,077	
14	Business support	11,652	
15	**Non-network opex**		17,728
16			
17	**Operational expenditure**		34,017
18	**6b(ii): Subcomponents of Operational Expenditure (where known)**		
19	Energy efficiency and demand side management, reduction of energy losses		N/A
20	Direct billing*		N/A
21	Research and development		N/A
22	Insurance		1,260
23	** Direct billing expenditure by suppliers that directly bill the majority of their consumers*		

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**

SCHEDULE 7: COMPARISON OF FORECASTS TO ACTUAL EXPENDITURE

This schedule compares actual revenue and expenditure to the previous forecasts that were made for the disclosure year. Accordingly, this schedule requires the forecast revenue and expenditure information from previous disclosures to be inserted.
EDBs must provide explanatory comment on the variance between actual and target revenue and forecast expenditure in Schedule 14 (Mandatory Explanatory Notes). This information is part of the audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8. For the purpose of this audit, target revenue and forecast expenditures only need to be verified back to previous disclosures.

sch ref

		Target ($000) [1]	Actual ($000)	% variance
7	**7(i): Revenue**			
8	Line charge revenue	172,600	172,789	0%
9	**7(ii): Expenditure on Assets**	**Forecast ($000) [2]**	**Actual ($000)**	**% variance**
10	Consumer connection	7,111	9,931	40%
11	System growth	4,359	302	(93%)
12	Asset replacement and renewal	18,595	24,627	32%
13	Asset relocations	2,238	1,762	(21%)
14	Reliability, safety and environment:			
15	Quality of supply	2,715	3,011	11%
16	Legislative and regulatory	–	–	–
17	Other reliability, safety and environment	8,442	8,896	5%
18	**Total reliability, safety and environment**	11,157	11,907	7%
19	**Expenditure on network assets**	43,461	48,528	12%
20	Expenditure on non-network assets	3,450	966	(72%)
21	Expenditure on assets	46,911	49,494	6%
22	**7(iii): Operational Expenditure**			
23	Service interruptions and emergencies	4,051	5,151	27%
24	Vegetation management	1,718	1,549	(10%)
25	Routine and corrective maintenance and inspection	7,333	8,494	16%
26	Asset replacement and renewal	1,631	1,095	(33%)
27	**Network opex**	14,733	16,289	11%
28	System operations and network support	4,893	6,077	24%
29	Business support	12,405	11,652	(6%)
30	**Non-network opex**	17,298	17,728	2%
31	**Operational expenditure**	32,031	34,017	6%
32	**7(iv): Subcomponents of Expenditure on Assets (where known)**			
33	Energy efficiency and demand side management, reduction of energy losses	–	–	–
34	Overhead to underground conversion	–	–	–
35	Research and development	–	–	–
36				
37	**7(v): Subcomponents of Operational Expenditure (where known)**			
38	Energy efficiency and demand side management, reduction of energy losses	–	N/A	–
39	Direct billing	–	N/A	–
40	Research and development	–	N/A	–
41	Insurance	1,008	1,260	25%
42				

43 *1 From the nominal dollar target revenue for the disclosure year disclosed under clause 2.4.3(3) of this determination*

44 *2 From the CY+1 nominal dollar expenditure forecasts disclosed in accordance with clause 2.6.6 for the forecast period starting at the beginning of the disclosure year (the second to last disclosure of Schedules 11a and 11b)*

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-Network Name	

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

sch ref

8(i): Billed Quantities by Price Component

Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Average no. of ICPs in disclosure year	Energy delivered to ICPs in disclosure year (MWh)	Billed quantities by price component: Fixed Charge (FIXD)	Demand (DAMD)	Capacity Charge (CAPY)	On-Pk Demand Chg (DOPC)	Pwr Factor Charge (PWRF)	Uncontrolled /Var Chg (24 UC)	Night Charge (NITE)	EV Night Charge (EVNITE)	Controlled Charge (CTRL)	All inclusive Charge (AICD)	EV Peak	EV Off Peak	Individual Contracts (IC)
Price component																	
Unit charging basis (eg, days, kW of demand, kVA of capacity, etc.)					day	kVA/month	kVA/day	kW/mth	kVAr/mth	kWh	kWh	kWh	kWh	kWh	kWh	kWh	ea
RLU, RLUEVB, RSU, RSUEVB	Domestic	Standard	150,709	1,038,020	54,952,675	–	–	–	–	493,425,634	6,071,633	248,838	41,143,538	496,567,668	190,638	371,560	–
GLV300, GTX300	Large Commercial	Standard	435	151,389	164,740	–	–	–	–	151,388,950	–	–	–	–	–	–	–
GTX1501	Large Industrial	Standard	32	172,471	14,573	–	33,014,238	411,396	27,494	172,470,650	–	–	–	–	–	–	–
GLV138, GTX138	Medium Commercial	Standard	412	55,062	149,120	–	–	–	–	55,062,346	–	–	–	–	–	–	–
GLV15, GTX15, GLV69, GTX69	Small Commercial	Standard	15,077	348,686	5,498,157	–	–	–	–	348,685,659	–	–	–	–	–	–	–
GLV1500, GTX1500	Small Industrial	Standard	404	496,839	179,939	1,427,738	73,441,588	–	–	496,839,484	–	–	–	–	–	–	–
G001, G002	Un-metered	Standard	841	18,142	16,147,175	–	–	–	–	18,141,503	–	–	–	–	–	–	–
Individual Contracts	Individual Contracts	Non-standard	14	20,497	(527)	448	–	–	–	20,496,715	–	–	–	–	–	–	–
		[Select one]			–	–	–	–	–	–	–	–	–	–	–	–	–
		[Select one]			–	–	–	–	–	–	–	–	–	–	–	–	–
Add extra rows for additional consumer groups or price category codes as necessary																	
		Standard consumer totals	167,911	2,280,608	77,106,378	1,427,738	106,455,827	411,396	27,494	1,736,014,226	6,071,633	248,838	41,143,538	496,567,668	190,638	371,560	–
		Non-standard consumer totals	14	20,497	(527)	448	–	–	–	20,496,715	–	–	–	–	–	–	–
		Total for all consumers	167,925	2,301,105	77,105,851	1,428,186	106,455,827	411,396	27,494	1,756,510,941	6,071,633	248,838	41,143,538	496,567,668	190,638	371,560	–

Add extra columns for additional billed quantities by price component as necessary

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-Network Name	

SCHEDULE 8: REPORT ON BILLED QUANTITIES AND LINE CHARGE REVENUES

This schedule requires the billed quantities and associated line charge revenues for each price category code used by the EDB in its pricing schedules. Information is also required on the number of ICPs that are included in each consumer group or price category code, and the energy delivered to these ICPs.

8(ii): Line Charge Revenues ($000) by Price Component

Consumer group name or price category code	Consumer type or types (eg, residential, commercial etc.)	Standard or non-standard consumer group (specify)	Total line charge revenue in disclosure year	Notional revenue foregone from posted discounts (if applicable)	Total distribution line charge revenue	Total transmission line charge revenue (if available)	Line charge revenues ($000) by price component: Fixed Charge (FIXD)	Demand (DAMD)	Capacity Charge (CAPY)	On-Pk Demand Chg (DOPC)	Pwr Factor Charge (PWRF)	Uncontrolled /Var Chg (24 UC)	Night Charge (NITE)	EV Night Charge (EVNITE)	Controlled Charge (CTRL)	All inclusive Charge (AICO)	EV Peak	EV Off Peak	Individual Contracts (IC)	*Add extra columns for additional line charge revenues by price component as necessary*
Price component							Fixed Charge (FIXD)	Demand (DAMD)	Capacity Charge (CAPY)	On-Pk Demand Chg (DOPC)	Pwr Factor Charge (PWRF)	Uncontrolled /Var Chg (24 UC)	Night Charge (NITE)	EV Night Charge (EVNITE)	Controlled Charge (CTRL)	All inclusive Charge (AICO)	EV Peak	EV Off Peak	Individual Contracts (IC)	
Rate (eg, $ per day, $ per kWh, etc.)							$/day	$/kVA/month	$/kVA/day	$/kW/mth	$/kVAr/mth	$/kWh	$/kWh	kWh	$/kWh	$/kWh	kWh	kWh	$	
RLU, RLUEVB, RSU, RSUEVB	Domestic	Standard	$110,793	–	67,364	43,429	28,592	–	–	–	–	45,943	109	4	1,492	34,615	23	14	–	
GLV300, GTX300	Large Commercial	Standard	$4,879	–	3,096	1,782	2,019	–	–	–	–	2,859	–	–	–	–	–	–	–	
GTX1501	Large Industrial	Standard	$6,463	–	3,715	2,748	1	–	977	4,986	241	259	–	–	–	–	–	–	–	
GLV138, GTX138	Medium Commercial	Standard	$3,857	–	2,397	1,459	1,305	–	–	–	–	2,552	–	–	–	–	–	–	–	
GLV15, GTX15, GLV69, GTX69	Small Commercial	Standard	$21,239	–	13,082	8,157	6,794	–	–	–	–	14,445	–	–	–	–	–	–	–	
GLV1500, GTX1500	Small Industrial	Standard	$19,577	–	11,984	7,593	4,967	9,686	1,226	–	–	3,698	–	–	–	–	–	–	–	
G001, G002	Un-metered	Standard	$3,840	–	2,332	1,508	3,454	–	–	–	–	386	–	–	–	–	–	–	–	
Individual Contracts	Individual Contracts	Non-standard	$2,141	–	1,274	867	2,090	48	–	–	–	2	–	–	–	–	–	–	–	
		[Select one]	–				–	–	–	–	–	–	–	–	–	–	–	–	–	
		[Select one]	–				–	–	–	–	–	–	–	–	–	–	–	–	–	

Add extra rows for additional consumer groups or price category codes as necessary

Standard consumer totals	$170,649	–	$103,971	$66,678	$47,132	$9,686	$2,204	$4,986	$241	$70,143	$109	$4	$1,492	$34,615	$23	$14	–
Non-standard consumer totals	$2,141	–	$1,274	$867	$2,090	$48	–	–	–	$2	–	–	–	–	–	–	–
Total for all consumers	$172,789	–	$105,245	$67,544	$49,222	$9,735	$2,204	$4,986	$241	$70,145	$109	$4	$1,492	$34,615	$23	$14	–

8(iii): Number of ICPs directly billed

Number of directly billed ICPs at year end	14	**Check**	**OK**

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-network Name	

SCHEDULE 9a: ASSET REGISTER

This schedule requires a summary of the quantity of assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref

8	Voltage	Asset category	Asset class	Units	Items at start of year (quantity)	Items at end of year (quantity)	Net change	Data accuracy (1–4)
9	All	Overhead Line	Concrete poles / steel structure	No.	30,053	30,682	629	3
10	All	Overhead Line	Wood poles	No.	9,016	8,657	(359)	3
11	All	Overhead Line	Other pole types	No.	31	43	12	3
12	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	57	57	(0)	4
13	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	–	–	–	N/A
14	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	32	32	–	4
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	50	50	–	4
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	48	48	–	4
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	7	7	–	4
18	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	–	–	–	N/A
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission submarine cable	km	–	–	–	N/A
23	HV	Zone substation Buildings	Zone substations up to 66kV	No.	27	27	–	4
24	HV	Zone substation Buildings	Zone substations 110kV+	No.	–	–	–	N/A
25	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	–	–	–	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	–	–	–	N/A
27	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	–	–	–	N/A
28	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	–	–	–	N/A
29	HV	Zone substation switchgear	33kV RMU	No.	–	–	–	N/A
30	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	–	–	–	N/A
31	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	2	2	–	4
32	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	355	355	–	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	–	–	–	N/A
34	HV	Zone Substation Transformer	Zone Substation Transformers	No.	52	52	–	4
35	HV	Distribution Line	Distribution OH Open Wire Conductor	km	590	588	(3)	4
36	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km	2	2	0	4
37	HV	Distribution Line	SWER conductor	km	1	1	(0)	3
38	HV	Distribution Cable	Distribution UG XLPE or PVC	km	133	146	12	3
39	HV	Distribution Cable	Distribution UG PILC	km	1,035	1,034	(1)	3
40	HV	Distribution Cable	Distribution Submarine Cable	km	0	0	–	4
41	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	16	17	1	4
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	951	950	(1)	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	2,599	2,600	1	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	626	610	(16)	3
45	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	1,948	1,971	23	4
46	HV	Distribution Transformer	Pole Mounted Transformer	No.	1,802	1,802	–	4
47	HV	Distribution Transformer	Ground Mounted Transformer	No.	2,532	2,545	13	4
48	HV	Distribution Transformer	Voltage regulators	No.	–	–	–	N/A
49	HV	Distribution Substations	Ground Mounted Substation Housing	No.	511	513	2	4
50	LV	LV Line	LV OH Conductor	km	1,083	1,079	(5)	2
51	LV	LV Cable	LV UG Cable	km	1,685	1,701	16	2
52	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	1,912	1,918	6	2
53	LV	Connections	OH/UG consumer service connections	No.	167,233	168,201	968	3
54	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	1,418	1,409	(9)	3
55	All	SCADA and communications	SCADA and communications equipment operating as a single system	Lot	264	264	–	4
56	All	Capacitor Banks	Capacitors including controls	No	–	–	–	N/A
57	All	Load Control	Centralised plant	Lot	24	24	–	4
58	All	Load Control	Relays	No	–	–	–	N/A
59	All	Civils	Cable Tunnels	km	1	1	–	4

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-network Name	

SCHEDULE 9b: ASSET AGE PROFILE

This schedule requires a summary of the age profile (based on year of installation) of the assets that make up the network, by asset category and asset class. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref																																						
8		**Disclosure Year (year ended)**	31 March 2019		**Number of assets at disclosure year end by installation date**																																			
9	**Voltage**	**Asset category**	**Asset class**	**Units**	**pre-1940**	**1940 –1949**	**1950 –1959**	**1960 –1969**	**1970 –1979**	**1980 –1989**	**1990 –1999**	**2000**	**2001**	**2002**	**2003**	**2004**	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**No. with age unknown**	**Items at end of year**	**No. with default dates**	**Data accuracy (1–4)**
10	All	Overhead Line	Concrete poles / steel structure	No.	60	160	1,456	5,323	1,508	1,739	2,999	486	239	391	485	259	1,379	1,855	2,528	1,280	526	436	378	426	536	672	680	910	811	962	197	–	–	–	–	–	–	1	30,682	422	3
11	All	Overhead Line	Wood poles	No.	22	38	445	2,570	1,786	1,674	819	24	24	8	25	29	46	181	129	85	52	63	53	57	55	72	75	124	101	80	20	–	–	–	–	–	–	–	8,657	243	3
12	All	Overhead Line	Other pole types	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	10	16	13	4	–	–	–	–	–	–	43	–	3
13	HV	Subtransmission Line	Subtransmission OH up to 66kV conductor	km	–	–	–	17	27	12	0	–	–	–	–	–	–	0	–	0	–	0	–	0	–	–	0	1	0	–	–	–	–	–	–	–	–	–	57	0	4
14	HV	Subtransmission Line	Subtransmission OH 110kV+ conductor	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
15	HV	Subtransmission Cable	Subtransmission UG up to 66kV (XLPE)	km	–	–	–	–	–	–	3	–	3	0	–	1	–	2	0	5	–	–	10	0	0	6	1	0	0	–	–	–	–	–	–	–	–	0	32	–	4
16	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Oil pressurised)	km	–	–	–	20	21	9	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	50	–	4
17	HV	Subtransmission Cable	Subtransmission UG up to 66kV (Gas pressurised)	km	–	–	10	28	7	3	–	–	–	–	–	–	–	0	0	–	–	–	–	–	0	–	–	–	–	–	–	–	–	–	–	–	–	48	–	4
18	HV	Subtransmission Cable	Subtransmission UG up to 66kV (PILC)	km	–	–	–	1	5	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	7	–	4
19	HV	Subtransmission Cable	Subtransmission UG 110kV+ (XLPE)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
20	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Oil pressurised)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
21	HV	Subtransmission Cable	Subtransmission UG 110kV+ (Gas Pressurised)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
22	HV	Subtransmission Cable	Subtransmission UG 110kV+ (PILC)	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
23	HV	Subtransmission Cable	Subtransmission submarine cable	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
24	HV	Zone substation Buildings	Zone substations up to 66kV	No.	–	–	1	14	9	1	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	27	–	4
25	HV	Zone substation Buildings	Zone substations 110kV+	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
26	HV	Zone substation switchgear	50/66/110kV CB (Indoor)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
27	HV	Zone substation switchgear	50/66/110kV CB (Outdoor)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
28	HV	Zone substation switchgear	33kV Switch (Ground Mounted)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
29	HV	Zone substation switchgear	33kV Switch (Pole Mounted)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
30	HV	Zone substation switchgear	33kV RMU	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
31	HV	Zone substation switchgear	22/33kV CB (Indoor)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
32	HV	Zone substation switchgear	22/33kV CB (Outdoor)	No.	–	–	–	–	–	–	2	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	2	–	4
33	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (ground mounted)	No.	–	–	–	131	100	28	32	–	7	–	–	–	–	16	–	2	–	–	14	13	1	11	–	–	–	–	–	–	–	–	–	–	–	355	–	4
34	HV	Zone substation switchgear	3.3/6.6/11/22kV CB (pole mounted)	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
35	HV	Zone Substation Transformer	Zone Substation Transformers	No.	–	–	4	29	13	6	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	52	–	4
36	HV	Distribution Line	Distribution OH Open Wire Conductor	km	–	–	4	218	102	152	55	5	3	3	5	1	3	1	1	1	1	2	1	8	4	2	3	3	2	4	1	–	–	–	–	–	–	–	588	2	4
37	HV	Distribution Line	Distribution OH Aerial Cable Conductor	km			–	1	0	0	–	–	–	–	–	–	–	–	–	–	0	–	–	–	–	–	–	–	0	–	–	–	–	–	–	–	–	2	–	4
38	HV	Distribution Line	SWER conductor	km	–	–	–	1	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1	–	4
39	HV	Distribution Cable	Distribution UG XLPE or PVC	km	–	–	–	1	1	0	1	9	16	4	8	3	3	4	8	10	7	5	9	13	11	6	5	7	8	8	1	–	–	–	–	–	–	–	146	–	3
40	HV	Distribution Cable	Distribution UG PILC	km	55	22	115	278	249	154	113	11	5	4	5	9	6	5	1	2	0	0	0	0	0	–	–	–	–	0	–	–	–	–	–	–	–	–	1,034	–	3
41	HV	Distribution Cable	Distribution Submarine Cable	km	–	–	–	–	–	–	0	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	0	–	3
42	HV	Distribution switchgear	3.3/6.6/11/22kV CB (pole mounted) - reclosers and sectionalisers	No.	–	–	–	1	–	1	1	–	–	1	–	–	–	2	1	–	–	2	–	–	–	1	4	1	1	1	–	–	–	–	–	–	–	17	–	4
43	HV	Distribution switchgear	3.3/6.6/11/22kV CB (Indoor)	No.	–	–	1	201	132	152	116	7	14	2	3	–	5	7	17	21	34	46	34	40	24	18	19	16	15	20	2	–	–	–	–	–	–	–	950	–	3
44	HV	Distribution switchgear	3.3/6.6/11/22kV Switches and fuses (pole mounted)	No.	2	–	154	735	425	196	218	53	49	80	69	41	40	47	64	34	21	37	30	37	24	27	43	63	49	49	13	–	–	–	–	–	–	–	2,600	53	3
45	HV	Distribution switchgear	3.3/6.6/11/22kV Switch (ground mounted) - except RMU	No.	–	–	2	113	165	203	49	–	8	1	–	–	2	–	4	1	2	6	4	8	13	3	3	10	3	10	–	–	–	–	–	–	–	–	610	29	3
46	HV	Distribution switchgear	3.3/6.6/11/22kV RMU	No.	–	–	23	144	415	221	255	31	24	33	53	40	40	49	36	35	69	39	51	59	53	58	46	68	55	57	17	–	–	–	–	–	–	–	1,971	25	4
47	HV	Distribution Transformer	Pole Mounted Transformer	No.	2	4	94	366	206	73	198	63	52	54	46	40	72	45	48	32	18	27	29	29	35	25	30	67	46	75	26	–	–	–	–	–	–	–	1,802	4	4
48	HV	Distribution Transformer	Ground Mounted Transformer	No.	–	16	143	397	512	211	219	42	57	42	54	56	67	82	59	50	35	50	48	45	43	68	45	68	65	56	15	–	–	–	–	–	–	–	2,545	2	4
49	HV	Distribution Transformer	Voltage regulators	No.	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
50	HV	Distribution Substations	Ground Mounted Substation Housing	No.	4	12	83	128	84	85	37	8	8	12	5	5	3	2	1	3	5	1	–	4	4	6	3	3	4	1	2	–	–	–	–	–	–	–	513	–	4
51	LV	LV Line	LV OH Conductor	km	5	12	155	489	246	83	57	4	3	1	2	1	3	1	2	2	1	1	2	1	1	1	1	1	1	1	0	–	–	–	–	–	–	–	1,079	14	2
52	LV	LV Cable	LV UG Cable	km	7	20	103	314	522	207	207	26	20	14	17	26	24	20	25	22	11	11	7	13	14	15	12	14	17	13	1	–	–	–	–	–	–	–	1,701	16	2
53	LV	LV Street lighting	LV OH/UG Streetlight circuit	km	2	11	114	513	624	206	239	16	12	12	13	16	20	12	11	26	8	4	7	5	11	8	6	7	7	7	0	–	–	–	–	–	–	–	1,918	173	2
54	LV	Connections	OH/UG consumer service connections	No.	2	16	132	277	130,349	100	140	36	13	12	7	9	3	17	12	12	839	870	1,042	873	916	1,063	1,027	1,116	1,157	1,622	509	–	–	–	–	–	–	26,030	168,201	130,163	2
55	All	Protection	Protection relays (electromechanical, solid state and numeric)	No.	–	–	–	–	–	–	–	–	–	1	1	–	–	–	1	5	2	–	15	43	41	28	46	4	20	13	1	–	–	–	–	–	–	1,188	1,409	–	3
56	All	SCADA and communications	SCADA and communications equipment operating as a single syst	Lot	–	–	–	–	–	52	91	2	2	1	–	–	5	4	6	1	14	12	17	8	12	6	20	5	–	6	–	–	–	–	–	–	–	264	–	4
57	All	Capacitor Banks	Capacitors including controls	No	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
58	All	Load Control	Centralised plant	Lot	–	–	6	8	6	1	1	–	–	–	–	–	–	–	–	–	–	–	1	–	–	–	–	–	1	–	–	–	–	–	–	–	–	24	–	4
59	All	Load Control	Relays	No	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	N/A
60	All	Civils	Cable Tunnels	km	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	1	1	–	4

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-network Name	

SCHEDULE 9c: REPORT ON OVERHEAD LINES AND UNDERGROUND CABLES

This schedule requires a summary of the key characteristics of the overhead line and underground cable network. All units relating to cable and line assets, that are expressed in km, refer to circuit lengths.

sch ref				
9				
10	**Circuit length by operating voltage (at year end)**	**Overhead (km)**	**Underground (km)**	**Total circuit length (km)**
11	> 66kV	–	–	–
12	50kV & 66kV	–	–	–
13	33kV	57	138	195
14	SWER (all SWER voltages)	1	–	1
15	22kV (other than SWER)	–	–	–
16	6.6kV to 11kV (inclusive—other than SWER)	589	1,180	1,769
17	Low voltage (< 1kV)	1,079	1,701	2,780
18	**Total circuit length (for supply)**	1,726	3,019	4,746
19				
20	Dedicated street lighting circuit length (km)	811	1,107	1,918
21	Circuit in sensitive areas (conservation areas, iwi territory etc) (km)			–
22				
23	**Overhead circuit length by terrain (at year end)**	**Circuit length (km)**	**(% of total overhead length)**	
24	Urban	1,335	77%	
25	Rural	392	23%	
26	Remote only	–	–	
27	Rugged only	–	–	
28	Remote and rugged	–	–	
29	Unallocated overhead lines	–	–	
30	**Total overhead length**	1,726	100%	
31				
32		**Circuit length (km)**	**(% of total circuit length)**	
33	Length of circuit within 10km of coastline or geothermal areas (where known)	4,158	88%	
34		**Circuit length (km)**	**(% of total overhead length)**	
35	Overhead circuit requiring vegetation management	1,554	90%	

Company Name	**Wellington Electricity Lines**
For Year Ended	**31 March 2019**

SCHEDULE 9d: REPORT ON EMBEDDED NETWORKS

This schedule requires information concerning embedded networks owned by an EDB that are embedded in another EDB's network or in another embedded network.

sch ref			
8	**Location ***	**Number of ICPs served**	**Line charge revenue ($000)**
9	N/A		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

26 ** Extend embedded distribution networks table as necessary to disclose each embedded network owned by the EDB which is embedded in another EDB's network or in another embedded network*

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-network Name	

SCHEDULE 9e: REPORT ON NETWORK DEMAND

This schedule requires a summary of the key measures of network utilisation for the disclosure year (number of new connections including distributed generation, peak demand and electricity volumes conveyed).

sch ref

9e(i): Consumer Connections

Number of ICPs connected in year by consumer type

*Consumer types defined by EDB**	Number of connections (ICPs)
Domestic	1,696
Large Commercial	16
Large Industrial	2
Medium Commercial	17
Small Commercial	617
Small Industrial	13
Unmetered	50

** include additional rows if needed*

Connections total	2,411

Distributed generation

Number of connections made in year	228	**connections**
Capacity of distributed generation installed in year	0.94	**MVA**

9e(ii): System Demand

		Demand at time of maximum coincident demand (MW)	
	Maximum coincident system demand		
	GXP demand	487	
plus	Distributed generation output at HV and above	58	
	Maximum coincident system demand	545	
less	Net transfers to (from) other EDBs at HV and above	–	
	Demand on system for supply to consumers' connection points	545	

		Energy (GWh)	
	Electricity volumes carried		
	Electricity supplied from GXPs	2,166	
less	Electricity exports to GXPs	–	
plus	Electricity supplied from distributed generation	251	
less	Net electricity supplied to (from) other EDBs	–	
	Electricity entering system for supply to consumers' connection points	2,417	
less	Total energy delivered to ICPs	2,301	
	Electricity losses (loss ratio)	116	4.8%
	Load factor	0.51	

9e(iii): Transformer Capacity

	(MVA)
Distribution transformer capacity (EDB owned)	1,404
Distribution transformer capacity (Non-EDB owned, estimated)	24
Total distribution transformer capacity	1,427
Zone substation transformer capacity	1,067

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-network Name	

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

sch ref

10(i): Interruptions

Interruptions by class

	Number of interruptions
Class A (planned interruptions by Transpower)	–
Class B (planned interruptions on the network)	294
Class C (unplanned interruptions on the network)	198
Class D (unplanned interruptions by Transpower)	3
Class E (unplanned interruptions of EDB owned generation)	–
Class F (unplanned interruptions of generation owned by others)	–
Class G (unplanned interruptions caused by another disclosing entity)	–
Class H (planned interruptions caused by another disclosing entity)	–
Class I (interruptions caused by parties not included above)	–
Total	495

Interruption restoration

	≤3Hrs	>3hrs
Class C interruptions restored within	125	73

SAIFI and SAIDI by class

	SAIFI	SAIDI
Class A (planned interruptions by Transpower)	–	–
Class B (planned interruptions on the network)	0.08	7.9
Class C (unplanned interruptions on the network)	0.42	26.5
Class D (unplanned interruptions by Transpower)	0.16	10.4
Class E (unplanned interruptions of EDB owned generation)	–	–
Class F (unplanned interruptions of generation owned by others)	–	–
Class G (unplanned interruptions caused by another disclosing entity)	–	–
Class H (planned interruptions caused by another disclosing entity)	–	–
Class I (interruptions caused by parties not included above)	–	–
Total	0.66	44.8

Normalised SAIFI and SAIDI

	Normalised SAIFI	Normalised SAIDI
Classes B & C (interruptions on the network)	0.50	34.4

Company Name	**Wellington Electricity Lines Limited**
For Year Ended	**31 March 2019**
Network / Sub-network Name	

SCHEDULE 10: REPORT ON NETWORK RELIABILITY

This schedule requires a summary of the key measures of network reliability (interruptions, SAIDI, SAIFI and fault rate) for the disclosure year. EDBs must provide explanatory comment on their network reliability for the disclosure year in Schedule 14 (Explanatory notes to templates). The SAIFI and SAIDI information is part of audited disclosure information (as defined in section 1.4 of the ID determination), and so is subject to the assurance report required by section 2.8.

10(ii): Class C Interruptions and Duration by Cause

Cause	SAIFI	SAIDI
Lightning	0.01	1.0
Vegetation	0.04	3.6
Adverse weather	–	–
Adverse environment	0.01	0.8
Third party interference	0.11	8.9
Wildlife	0.04	1.6
Human error	0.02	0.7
Defective equipment	0.15	8.2
Cause unknown	0.04	1.6

10(iii): Class B Interruptions and Duration by Main Equipment Involved

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	–	–
Subtransmission cables	–	–
Subtransmission other	–	–
Distribution lines (excluding LV)	–	–
Distribution cables (excluding LV)	–	–
Distribution other (excluding LV)	–	–

10(iv): Class C Interruptions and Duration by Main Equipment Involved

Main equipment involved	SAIFI	SAIDI
Subtransmission lines	0.03	0.1
Subtransmission cables	–	–
Subtransmission other	–	–
Distribution lines (excluding LV)	0.30	20.1
Distribution cables (excluding LV)	0.09	6.2
Distribution other (excluding LV)	–	–

10(v): Fault Rate

Main equipment involved	Number of Faults	Circuit length (km)	Fault rate (faults per 100km)
Subtransmission lines	1	57	1.75
Subtransmission cables	–	–	–
Subtransmission other	–		
Distribution lines (excluding LV)	167	589	28.35
Distribution cables (excluding LV)	30	1,180	2.54
Distribution other (excluding LV)	–		0
Total	198		

Company Name Wellington Electricity Lines Limited

For Year Ended 31 March 2019

Schedule 14 Mandatory Explanatory Notes

(Guidance Note: This Microsoft Word version of Schedules 14, 14a and 15 is from the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018. Clause references in this template are to that determination)

1. This schedule requires EDBs to provide explanatory notes to information provided in accordance with clauses 2.3.1, 2.4.21, 2.4.22, and subclauses 2.5.1(1)(f),and 2.5.2(1)(e).

2. This schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.1. Information provided in boxes 1 to 11 of this schedule is part of the audited disclosure information, and so is subject to the assurance requirements specified in section 2.8.

3. Schedule 15 (Voluntary Explanatory Notes to Schedules) provides for EDBs to give additional explanation of disclosed information should they elect to do so.

Return on Investment (Schedule 2)

4. In the box below, comment on return on investment as disclosed in Schedule 2. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 1: Explanatory comment on return on investment

The 2019 return on investment (ROI) of 6.99% (vanilla WACC) is below the Custom Price-Quality Path (CPP) WACC rate used to set regulatory price path of 7.19% for the 2 year period 1 April 2018 to 31 March 2020.

Regulatory Profit (Schedule 3)

5. In the box below, comment on regulatory profit for the disclosure year as disclosed in Schedule 3. This comment must include-

   5.1 a description of material items included in other regulated income (other than gains / (losses) on asset disposals), as disclosed in 3(i) of Schedule 3

   5.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 2: Explanatory comment on regulatory profit

- insurance proceeds of $0.6m received relating to the 2016 earthquake; and
- charges for new connections, upgrades, decommissioning and temporary disconnections of $0.5m.

There has been no information reclassified in accordance with clause 2.7.1(2)

Merger and acquisition expenses (3(iv) of Schedule 3)

6. If the EDB incurred merger and acquisitions expenditure during the disclosure year, provide the following information in the box below-

    6.1 information on reclassified items in accordance with subclause 2.7.1(2)

    6.2 any other commentary on the benefits of the merger and acquisition expenditure to the EDB.

Box 3: Explanatory comment on merger and acquisition expenditure

There have been no mergers or acquisitions in the disclosure year.

Value of the Regulatory Asset Base (Schedule 4)

7. In the box below, comment on the value of the regulatory asset base (rolled forward) in Schedule 4. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 4: Explanatory comment on the value of the regulatory asset based (rolled forward)

The value of the regulatory asset base has been determined by rolling forward the initial regulatory asset base with allowance made for additions, disposals, depreciation and revaluation in accordance with the Electricity Distribution Services Input Methodologies Determination 2012.

There were no reclassifications for the year ended 31 March 2019.

Regulatory tax allowance: disclosure of permanent differences (5a(i) of Schedule 5a)

8. In the box below, provide descriptions and workings of the material items recorded in the following asterisked categories of 5a(i) of Schedule 5a-

    8.1 Income not included in regulatory profit / (loss) before tax but taxable;

    8.2 Expenditure or loss in regulatory profit / (loss) before tax but not deductible;

    8.3 Income included in regulatory profit / (loss) before tax but not taxable;

    8.4 Expenditure or loss deductible but not in regulatory profit / (loss) before tax.

Box 5: Regulatory tax allowance: permanent differences

Wellington Electricity Lines Limited (WELL) has recorded expenditure before tax that is not deductible of $44K. This includes non-deductible entertainment expenses in accordance with the New Zealand Tax Legislation.

Regulatory tax allowance: disclosure of temporary differences (5a(vi) of Schedule 5a)

9. In the box below, provide descriptions and workings of material items recorded in the asterisked category 'Tax effect of other temporary differences' in 5a(vi) of Schedule 5a.

Box 6: Tax effect of other temporary differences (current disclosure year)

Other temporary differences include doubtful debts and other accruals not deductible in the current period in accordance with the New Zealand Tax Legislation.

Cost allocation (Schedule 5d)

10. In the box below, comment on cost allocation as disclosed in Schedule 5d. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 7: Cost allocation

Allocating routine and corrective maintenance expenses to unregulated pole services.

Routine and corrective maintenance is an unavoidable cost for the regulated business and is crucial to network integrity. WELL also derives unregulated revenue from some poles in the form of rental for space on the pole for fibre connections. Previously under the Avoidable Cost Allocation Methodology ("ACAM") method of cost allocation, no costs were allocated to the unregulated portion of the business. With ACAM method no longer being an accepted method of cost allocation, WELL has adopted the Accounting-based allocation (ABAA) approach.

There are two types of costs relating to the unregulated pole services:

(1) Installation costs: Installation costs incurred by WELL are the largest costs incurred in relation to the unregulated pole services. These costs sit outside of the regulatory cost base and are excluded from the information disclosures.

(2) On-going pole maintenance: Pole maintenance is performed annually and ad-hoc. This is driven by the needs of the regulated business and not the fibre services - therefore there is no causal allocator available for these costs in relation to the unregulated portion of income. We have therefore allocated a portion of these costs to the unregulated business using a proxy allocator of the surface area of the pole used to house fibre equipment.

Allocating business support expenses to non-regulated services

These costs are generic business support costs which were previously not allocated under ACAM due to the costs being unavoidable. With ACAM no longer being an accepted cost allocation method, WELL has adopted the ABAA approach. Business support services support unregulated services of rental of pole space for fibre, other leased assets not included in the RAB, loss rental rebates and instantaneous reserve revenue. Business support costs are allocated to these unregulated services using causal drivers. A causal driver has been selected because the activities to derive the revenue can be identified and the value associated to it can be calculated and separated from the regulated activities.

If the non-regulatory revenue streams did not exist, WELL would still incur the business support costs held in the regulatory business. Any business support costs directly relating to unregulated revenue have not been included in ID disclosures as a regulatory cost.

Asset allocation (Schedule 5e)

11. In the box below, comment on asset allocation as disclosed in Schedule 5e. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 8: Commentary on asset allocation

Previously under the ACAM method, these Pole Assets were not allocated between the regulated and non-regulated parts of the business for fibre connections. This is due to the primary use of the poles is to provide regulated distribution services. The fibre equipment which also uses the poles is an incidental and incremental service – if the fibre connections did not exist, the poles would still be needed to provide distribution services. No assets have been commissioned and held in the regulated RAB for the sole purpose of providing fibre.

With the ACAM method no longer being an acceptable cost allocation method, WELL has adopted the ABAA method. WELL is unable to identify a direct causal relationship between the pole RAB and the unregulated revenue because of the reasons outlined above. WELL has therefore applied a proxy allocator for the allocation of RAB between attributable and not directly attributable. The proxy allocator used is surface area of the pole. Surface area represents the portion of the pole that external parties are leasing to attach fibre connections too. The surface area of a pole used to attach fibre equipment has been calculated to be 2.25% of a pole. This percentage is applied to the average number of poles with a fibre connection, in the regulatory year.

Capital Expenditure for the Disclosure Year (Schedule 6a)

12. In the box below, comment on expenditure on assets for the disclosure year, as disclosed in Schedule 6a. This comment must include-

    12.1 a description of the materiality threshold applied to identify material projects and programmes described in Schedule 6a;

    12.2 information on reclassified items in accordance with subclause 2.7.1(2).

Box 9: Explanation of capital expenditure for the disclosure year

12.1 WELL has applied professional judgement in assessing whether a project or programme is deemed material. A project or programme is considered material where the required spend was at least $200k or more or relates to the CPP.

12.2 There are no reclassified items.

Operational Expenditure for the Disclosure Year (Schedule 6b)

13. In the box below, comment on operational expenditure for the disclosure year, as disclosed in Schedule 6b. This comment must include-

    13.1 Commentary on assets replaced or renewed with asset replacement and renewal operational expenditure, as reported in 6b(i) of Schedule 6b;

    13.2 Information on reclassified items in accordance with subclause 2.7.1(2);

    13.3 Commentary on any material atypical expenditure included in operational expenditure disclosed in Schedule 6b, a including the value of the

expenditure the purpose of the expenditure, and the operational expenditure categories the expenditure relates to.

Box 10: Explanation of operational expenditure for the disclosure year

13.1 Asset replacement and renewal includes expenditure to replace or renew assets where the expenditure is not capitalised under NZ IFRS. This expenditure is of a maintenance nature.

13.2 There are no reclassified items.

13.3 There was no material atypical expenditure included in operational expenditure in the disclosure year

Variance between forecast and actual expenditure (Schedule 7)

14. In the box below, comment on variance in actual to forecast expenditure for the disclosure year, as reported in Schedule 7. This comment must include information on reclassified items in accordance with subclause 2.7.1(2).

Box 11: Explanatory comment on variance in actual to forecast expenditure

Expenditure on Assets:

Consumer Connection: The increase in consumer connection spend has been driven by the increase in the number of new connection requests. This is supported by the higher than usual number of building consents that are being approved in Wellington compared to previous years. The number of consents has increased in 2018/19 to 2,700, from the 2,300 in 2017/18 and from the annual average of 1,100 for the 6 years prior to 2017/18.

System Growth: The reduced expenditure in the System Growth category has been due to the deferment of the Frederick Street Substation Transmission Cable upgrade project. This expenditure has now been programmed to start in the 2019/20 regulatory year. The 2019 AMP provides further detail about this project.

Asset Replacement and Renewals: Expenditure increased due to programme changes resulting from asset health checks.

Asset Relocation: Decreased spend in forecast asset relocation due to Transmission Gully project delays.

Quality of Supply: Expenditure increased due to programme changes resulting from asset health and reliability checks.

Other Reliability: Largely in line with forecast, the majority of the CPP spend is held in this forecast.

Expenditure on Non-Network Assets: The decrease in spend was due to a delay in the GIS project due to a reassessment of the information technology strategy.

Operational Expenditure:

Service interruptions and emergencies: Increased expenditure in reactive maintenance due primarily to a cable fluid leak at Titahi Bay.

Vegetation Management: Expenditure reduced following the enhanced 2017/18 vegetation management programme which included one-off activities not required in the 2018/19 year.

Routine and corrective Maintenance and Asset replacement and renewal: Increased expenditure due to higher than expected equipment repairs and a planned increase in pole inspections and preventative maintenance.

Business support: Decrease in expenditure due a reduction in the lease costs of the Petone office.

Systems operations and network support:
Increased expenditure due to new a renewal and enhancement of the asset and planning management systems. The increase was partially offset by a reduction in professional services.

Information relating to revenues and quantities for the disclosure year

15. In the box below provide-

    15.1 a comparison of the target revenue disclosed before the start of the disclosure year, in accordance with clause 2.4.1 and subclause 2.4.3(3) to total billed line charge revenue for the disclosure year, as disclosed in Schedule 8; and

    15.2 explanatory comment on reasons for any material differences between target revenue and total billed line charge revenue.

Box 12: Explanatory comment relating to revenue for the disclosure year
Actual line charge revenue of $172.8m is in-line with the target of $172.6m.

Network Reliability for the Disclosure Year (Schedule 10)

16. In the box below, comment on network reliability for the disclosure year, as disclosed in Schedule 10.

Box 13: Commentary on network reliability for the disclosure year

WELL has complied with the annual reliability assessments in the current period as outlined in clause 9 of the 2018 CPP Determination.

WELL improved its quality performance from the previous two years. The improved performance was a result of refinements to our quality improvement programme. At a high level, the quality improvement programme included:

- Continued work on improving feeder performance by undertaking refurbishment projects on 11kV feeders.
- Predictive analysis of failure rates has been expanded to include the overhead conductors and poles, and 11 kV underground cables.
- A greater focus on reliability performance has been provided by staff and contractor refresher training on SAIDI & SAIFI, a bi-weekly meeting on reliability with service providers and establishing a morning report on network performance.
- Review and refinement of the monthly outage report, providing more in-depth analysis of unplanned outages.
- Analysis showed that some overhead connectors are prone to failure due to exacerbated ageing when installed in close proximity to the coast. Connector covers have been successfully implemented on the network.
- Conductor covers are being used to reduce the number of outages caused by close vegetation and wind borne debris.
- Generators are being used (when safe to do so) for de-energised planned outages. Supporting tools have been developed to guide when generation should be used.

WELL will continue to investigate ways to improve the reliability of the network. WELL's AMP provides an analysis of critical trends and an annual update to the reliability performance improvement programme (the AMP can be found at: https://www.welectricity.co.nz/disclosures/asset-management-plan).

Insurance cover

17. In the box below, provide details of any insurance cover for the assets used to provide electricity distribution services, including-

    17.1 The EDB's approaches and practices in regard to the insurance of assets used to provide electricity distribution services, including the level of insurance;

17.2 In respect of any self insurance, the level of reserves, details of how reserves are managed and invested, and details of any reinsurance.

Box 14: Explanation of insurance cover

Due to the limited nature/cost of insurance cover available to WELL's, only 15% of its assets have insurance cover. WELL has material damage (MD) and Business interruption (BI) insurance for key asset locations, including WELL's GXP assets, zone substations, some critical distribution substations and its office fit out at Petone. WELL's MD and BI insurance is currently placed through international markets.

The balance of WELL's assets (85%) are uninsured because insurance cover is not available and/or not economically viable. WELL does not recover funds to hold as reserve provisions (ex-ante) under the building blocks approach to determining allowable revenues under the CPP. Therefore WELL is not self-insured.

Amendments to previously disclosed information

18. In the box below, provide information about amendments to previously disclosed information disclosed in accordance with clause 2.12.1 in the last 7 years, including:

18.1 a description of each error; and

18.2 for each error, reference to the web address where the disclosure made in accordance with clause 2.12.1 is publicly disclosed.

Box 15: Disclosure of amendment to previously disclosed information

There have been no amendments to previous disclosure information.

Company Name Wellington Electricity Lines Limited

For Year Ended 31 March 2019

Schedule 14a Mandatory Explanatory Notes on Forecast Information

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

1. This Schedule requires EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.6.

2. This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a)

3. In the box below, comment on the difference between nominal and constant price capital expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11a.

Box 1: Commentary on difference between nominal and constant price capital expenditure forecasts
The difference represents inflation and is 2.0% per annum across the planning period.

The rates are based on the midpoint of the RBNZ's target inflation range.

Commentary on difference between nominal and constant price operational expenditure forecasts (Schedule 11b)

4. In the box below, comment on the difference between nominal and constant price operational expenditure for the current disclosure year and 10 year planning period, as disclosed in Schedule 11b.

Box 2: Commentary on difference between nominal and constant price operational expenditure forecasts
The difference represents inflation and is 2.0% per annum across the planning period.

The rates are based on the midpoint of the RBNZ's target inflation range.

Company Name Wellington Electricity Lines Limited

For Year Ended 31 March 2019

Schedule 15 Voluntary Explanatory Notes

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 – as amended and consolidated 3 April 2018.)

1. This schedule enables EDBs to provide, should they wish to-

   1.1 additional explanatory comment to reports prepared in accordance with clauses 2.3.1, 2.4.21, 2.4.22, 2.5.1 and 2.5.2;

   1.2 information on any substantial changes to information disclosed in relation to a prior disclosure year, as a result of final wash-ups.

2. Information in this schedule is not part of the audited disclosure information, and so is not subject to the assurance requirements specified in section 2.8.

3. Provide additional explanatory comment in the box below.

Box 1: Voluntary explanatory comment on disclosed information

Recording SAIFI

The method used for recording SAIFI for the 2019 disclosure year is the same as that used for the 2018 disclosure year.

Where an interruption to the supply of electricity distribution services is followed by restoration, and then by a successive interruption within the same event, WELL records this as a single interruption.

Network reliability for the disclosure year

WELL improved network reliability from the previous two years. The improved performance was a result of refinements to our quality improvement programme. The quality improvement programme is described in paragraph 16 of schedule 14.

WELL will continue to investigate ways to improve the reliability of the network. WELL's AMP provides an analysis of critical trends and an annual update to the reliability performance improvement programme (the AMP can be found at: https://www.welectricity.co.nz/disclosures/asset-management-plan).

Schedule 18 Certification For Year-End Disclosures

Clause 2.9.2

We, Richard Pearson and Charles Tsai, being directors of Wellington Electricity Lines Limited certify that, having made all reasonable enquiry, to the best of our knowledge-

a. the information prepared for the purposes of clauses 2.3.1, 2.3.2, 2.4.21, 2.4.22, 2.5.1, 2.5.2, and 2.7.1 of the Electricity Distribution Information Disclosure Determination 2012 in all material respects complies with that determination; and

b. the historical information used in the preparation of Schedules 8, 9a, 9b, 9c, 9d, 9e, 10, and 14 has been properly extracted from the Wellington Electricity Lines Limited's accounting and other records sourced from its financial and non-financial systems, and that sufficient appropriate records have been retained.

c. In respect of information concerning assets, costs and revenues valued or disclosed in accordance with clause 2.3.6 of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012, we are satisfied that-
   i. the costs and values of assets or goods or services acquired from a related party comply, in all material respects, with clauses 2.3.6(1) and 2.3.6(3) of the Electricity Distribution Information Disclosure Determination 2012 and clauses 2.2.11(1)(g) and 2.2.11(5)(a)-2.2.11(5)(b) of the Electricity Distribution Services Input Methodologies Determination 2012; and
   ii. the value of assets or goods or services sold or supplied to a related party comply, in all material respects, with clause 2.3.6(2) of the Electricity Distribution Information Disclosure Determination 2012.

Richard Pearson
Chairman

Charles Tsai
Director

28 August 2019

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INDEPENDENT AUDITOR'S REPORT
TO THE DIRECTORS OF WELLINGTON ELECTRICITY LINES LIMITED AND THE COMMERCE COMMISSION

Report on the Disclosure Information prepared in accordance with the Electricity Distribution Information Disclosure Determination 2012 (consolidated April 2018)

We have conducted a reasonable assurance engagement on whether the information disclosed by Wellington Electricity Lines Limited (the 'Company') required to be disclosed in accordance with the Electricity Distribution Information Disclosure Determination 2012 (consolidated April 2018) ('the Determination') for the disclosure year ended 31 March 2019, has been prepared, in all material respects, in accordance with the Determination.

The Disclosure information required to be reported by the Company, under the Information Disclosure Determination is in schedules 1 to 4, 5a to 5g, 6a, 6b, 7, and the explanatory notes in boxes 1 to 11 of Schedule 14, and the related party relationships, procurement policies and processes and the practical application of the procurement policies and processes disclosed in Schedule 5b.

Further, we have conducted a reasonable assurance engagement on whether the Company's basis for valuation of related party transactions ('the Related Party Transaction Information') for the disclosure year ended 31 March 2019, has been prepared, in all material respects, in accordance with clause 2.3.6, 2.3.8, 2.3.10, 2.3.11 and 2.3.12 of the Determination, and clauses 2.2.11(1)(g) and 2.2.11(5) of the Electricity Distribution Services Input Methodologies Determination 2012 (consolidated January 2019) ('the Input Methodologies Determination').

Opinion

This opinion has been formed on the basis of, and is subject to, the inherent limitations outlined elsewhere in this independent assurance report.

In our opinion:

- The Company has complied, in all material respects, with the Determination in preparing the Disclosure Information;
- The Related Party Transaction Information complies, in all material respects, with the Determination and the Input Methodologies Determination;
- As far as appears from an examination of them, proper records to enable the complete and accurate compilation of the Disclosure Information and the Related Party Transaction information have been kept by the Company; and
- As far as appears from an examination of the records, the information used in the preparation of the Disclosure Information and the Related Party Transaction Information has been properly extracted from the Company's accounting and other records and has been sourced, where appropriate, from the Company's financial and non-financial systems.

Basis of opinion

We have conducted our engagement in accordance with Standard on Assurance Engagements 3100 (Revised): *Compliance Engagements* ('SAE3100 (Revised)') issued by the New Zealand Auditing and Assurance Standards Board.

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These standards require that we comply with ethical requirements and plan and perform our assurance engagement to provide reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, with the Determination, and about whether the Related Party Transaction Information has been prepared, in all material respects, with the Determination and the Input Methodologies Determination. Reasonable assurance is a high level of assurance.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Disclosure Information. These matters were addressed in the context of our audit of the Disclosure Information, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Classification of expenditure between operating expenditure and capital expenditure	
The Company carries out a large number of individual network system projects that can be either operational (network maintenance) or capital (asset replacement or network growth) in nature. Professional judgement has been exercised about whether costs incurred in bringing assets to working condition for their intended use and should be capitalised as part of the cost of the asset, or whether they should be expensed as network maintenance. In the current year, total capital expenditures were $44 million compared to network operational expenditure incurred of $34 million. The Company's business operations are regulated and are subject to maximum allowable revenue limits set by the Commerce Commission. These revenue limits are, in part, determined by the value of the Company's regulatory asset base, which is determined by these expenditure classifications. The classification of expenditure between operating expenditure and capital expenditure is a key audit matter due to the level of judgement involved, extent of costs incurred, and importance of the regulatory asset base to future revenue determination.	Our audit procedures included the following: • Assessing the Company's capitalisation policy was in line with NZ IAS 16 – *Property, plant and equipment* and NZ IAS 38 – *Intangible assets*; • Testing the operating effectiveness of controls over the application of the policy to expenditure incurred on network system projects was tested; • Evaluating the average operating and capital expenditure ratios were compared against the customised price path plan approved by the Commerce Commission. Using this analysis we focused our testing procedures on those areas or periods which were not consistent with the trends in the wider population; and • Testing a sample of costs to invoice(s) or other supporting information to determine whether the expenditure was correctly classified as capital or operating expenditure.

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Key audit matter	How our audit addressed the key audit matter
Valuation of related party goods and services at arms-length	
The basis of valuation of related party transactions are required to be disclosed on schedule 5b of the disclosure information. The Directors have determined that the related party transactions identified have occurred at arms-length by comparing related party terms and conditions, including pricing, to external transactions and information obtained from benchmarking advice from an independent advisor on margins charged by contractors. The related entity provides back office, information technology support services, systems operations, electrical contracting services and project management. This represents $2,903,000 or 6.66% of total capital expenditure, as set out in Schedule 6a. This represents $11,657,000 or 34.27% of total operational expenditure, as set out in Schedule 6b. Due to the inherent judgment associated with the valuation of the goods or services on an arms-length basis, these matters have been identified as a key audit matter.	Our audit procedures to gain comfort over the valuation of related party transactions included the following: • Obtaining a detailed listing of all transactions impacting the Company for the disclosure year ended 31 March 2019 and comparing to the list of entities and transactions included on schedule 5b. We also obtained management's methodology of how they determined the transactions were related party transactions and their assessment of these transactions at arm's length. • Assessing the data per Wellington Electricity Lines Limited's benchmarking of contractor margins June 2018; • Evaluating the independent advice obtained by the directors to support the arm's length assessment; and • Evaluating the competence, objectivity and relevant experience of the independent advisor who provided the benchmarking advice.

Responsibilities of the Board of Directors for the Disclosure Information

The Board of Directors is responsible on behalf of the Company for the preparation of the Disclosure Information and Related Party Transaction Information in accordance with the Determination. The responsibility includes the design, implementation and maintenance of internal control relevant to the Company's preparation of the Disclosure Information and the Related Party Transaction Information with the Determination.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Professional and Ethical Standard 1 (Revised): Code of Ethics for Assurance Practitioners issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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Other than in our capacity as independent auditor and the provision of other assurance services including the audit of regulatory disclosure statements, project quality assurance and trustee reporting, we have no relationship with or interests in the Company or any of its subsidiaries. These services have not impaired our independence as auditor of Wellington Electricity Lines Limited.

The firm applies Professional and Ethical Standard 3 (Amended): *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* issued by the New Zealand Auditing and Assurance Standards Board, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibility

Our responsibility is to express an opinion whether the Disclosure Information and the Related Party Transaction Information has been prepared, in all material respects, in accordance with the Determination and the Input Methodologies Determination. SAE 3100 (Revised) requires that we plan and perform our procedures to obtain reasonable assurance that the Company has complied, in all material aspects, with the Determination and the Input Methodologies Determination in relation to the preparation of the Disclosure Information and the Related Party Transaction Information.

An assurance engagement to report on the Company's preparation of the Disclosure Information and the Related Party Transaction Information in accordance with the Determination and the Input Methodologies Determination involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the requirements of the Determination and the Input Methodologies Determination. The procedures selected depend on our judgement, including the identification and assessment of risk of material non-compliance with the Determination and the input Methodologies Determination.

We have performed procedures to obtain evidence about the amounts and disclosures in the Disclosure Information and the basis of valuation in the Related Party Transaction Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the Disclosure Information and Related Party Transaction Information, whether due to fraud or error or non-compliance with the Information Disclosure Determination or the Input Methodologies Determination. In making those risk assessments, we considered internal control relevant to the Company's preparation of the Disclosure Information and Related Party Transaction Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Inherent Limitations

Because of the inherent limitations of a reasonable assurance engagement, and the test basis of the procedures performed, it is possible that fraud, error or non-compliance may occur and not be detected.

We did not examine every transaction, adjustment or event underlying the Disclosure Information or the Related Party Transaction Information nor do we guarantee complete accuracy of the Disclosure Information or the Related Party Transaction Information. Also we did not evaluate the security and controls over the electronic publication of the Disclosure Information or the Related Party Transaction Information.

The opinion expressed in this independent assurance report has been formed on the above basis.

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Use of Report

This independent assurance report has been prepared solely for the directors of the Company and for the Commerce Commission for the purpose of providing those parties with reasonable assurance about whether the Disclosure Information has been prepared, in all material respects, in accordance with the Determination, and about whether the Related Party Transaction Information has been prepared in all material respects with the Determination and the Input Methodologies Determination. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the Company or the Commerce Commission, or for any other purpose than that for which it was prepared.

Deloitte Limited

Wellington, New Zealand
28 August 2019