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Default Price-Quality Path Compliance

Wellington Electricity Lines Limited

Annual Compliance Statement

09 June 2014

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1. Introduction

Clause 11.2(a) of the *Electricity Distribution Services Default Price-Quality Path Determination 2012 (2012 DPP Determination)* requires that all non-exempt electricity distribution businesses (**EDB's**) provide a written statement that confirms whether or not they have complied with the following aspects of the 2012 DPP Determination for the relevant assessment period:

- The price path as per clause 8 of the 2012 DPP Determination; and
- The quality standards as per clause 9 of the 2012 DPP Determination.

This statement is Wellington Electricity Lines Limited (**WELL**) Annual Compliance Statement (**the Statement**) for the fourth Assessment Period ended 31 March 2014.

Attachment 1 of this Statement provides the Auditor's report relating to this Statement as required by clause 11.6 of the 2012 DPP Determination. WELL confirms that the form of the Auditor's report is consistent with the form specified in Schedule 3A of the 2012 DPP Determination.

Attachment 2 of this Statement contains the Director's certificate signed by one director of WELL, as required by clause 11.3(m) of the 2012 DPP Determination. This certificate certifies that the information contained in this Statement is true and accurate. The attached Directors certificate is in the form required by Schedule 3B of the 2012 DPP Determination.

1.1. Compliance with 2012 DPP Determination's price – quality requirements

This Statement is made in accordance with the requirements of clause 11.1 of the 2012 DPP Determination.

In respect of the Assessment Period ended on the Assessment Date 31 March 2014, WELL confirms it has complied with the price path in clause 8. WELL confirms it has exceeded the SAIDI and SAIFI reliability limits in clause 9(2) and this has contributed to the non-compliance with the quality standard in clause 9(1) for the Assessment Period ending 31 March 2014. This has contributed to the non compliance under the annual reliability assessments for both SAIDI and SAIFI for at least two of the immediately preceding extant assessment periods.

The remainder of this Statement includes:

- Sufficient information to support the statement above, including:
 - o Information relating to the amount of allowable notional revenue, the amount of notional revenue, prices, quantities, units of measurement associated with all numeric data, and other relevant data, information, and calculations;
 - o Information relating to Pass-Through Costs, including both the forecast amounts and the actual amounts for the Assessment Period, and information relevant to the variance between the forecast and actual amounts;
 - o Information relating to Recoverable Costs, including both the forecast amounts and the actual amounts for the Assessment Period, and information relevant to the variance between the forecast and actual amounts;

- o Information relating to indirect transmission charges including the amounts of indirect transmission charges approved by the Commission for the Assessment period;
- o Information relating to any price restructures as referred to in clause 8.5 of the 2012 DPP Determination and information of the kind set out in clause 11.3(g) paragraphs (i) and (ii) of the 2012 DPP Determination that demonstrates:
 - If clause 8.5(a) applies, whether or not the restructuring has of itself increased the allowable notional revenue above that which would have applied if the restructuring had not occurred, using both the previous and restructured Prices and Quantities;
 - If clause 8.5(b) applies, whether or not the restructuring has of itself increased the revenue above that which would have applied if the restructuring had not occurred, using both the previous and restructured Prices and Quantities, and reasoning why it is not practicable for WELL to demonstrate the effects of the restructuring on allowable notional revenue; and
 - If clause 8.6 applies, why it is not practicable to demonstrate the effects of the restructuring on allowable notional revenue or revenue.
- o Assessed Values and Reliability Limits for the Assessment Period, relevant SAIDI and SAIFI statistics and calculations (including those in Schedule 2 of the 2012 DPP Determination), the annual reliability assessments for the two immediately preceding extant Assessment Periods, and other relevant data and information;
- o A description of policies and procedures which WELL has used to record the SAIDI and SAIFI statistics for the Assessment Period;
- o Information relating to specific transactions including transactions resulting in an amalgamation or merger, transactions resulting in consumers being supplied by a different EDB and large transactions;
- o If System Fixed Assets were transferred from Transpower, SAIDI and SAIFI statistics and calculations (including those in Schedule 2 of the 2012 DPP Determination) for the Assessment Period in which the transfer was completed that demonstrate whether or not the transfer increased the Assessed Values;
- o If an alternative approach is used to demonstrate compliance as referred to in clause 10.3, an explanation as to why that alternative approach was needed; and
- o The date on which the statement was prepared.

1.2. Disclaimer

The information contained in the Statement has been prepared for the express purpose of complying with the requirements of clause 11 of the 2012 DPP Determination. The Statement has not been prepared for any other purpose. WELL expressly disclaims any liability to any other party who may rely on the Statement for any other purpose.

Representations in this Statement made by WELL relate solely to the services offered on the electricity distribution network in the Wellington region.

2. Price Path Compliance

This section of the Statement provides information on WELL’s compliance with the price path for the Assessment Period ended 31 March 2014. Under clause 11.2 of the 2012 DPP Determination WELL is required to:

- Provide a written statement that states whether or not the Non-Exempt EDB has complied with the price path in clause 8; and
- Provide sufficient information to support the compliance or non-compliance.

WELL notes that:

- Tables contained in this Section of the Statement are aggregates of the detail provided at Attachment 3 that reflect the price multiplied by the appropriate quantity for each pricing category; and
- For presentation purposes some numbers in this document have been rounded. In most cases calculations are based on more detailed numbers (i.e. to more decimal places than shown in this document). This may cause small discrepancies or rounding inconsistencies when aggregating some of the information presented in this document. These discrepancies do not affect the overall compliance calculations which have been based on the more detailed information.

2.1. Price path compliance as at 31 March 2014

In order to demonstrate compliance with the price path, WELL is required to demonstrate that its Notional Revenue for the Assessment Period has not exceeded the Allowable Notional Revenue for the Assessment Period.

As demonstrated by Table 1 below, Notional Revenue (NR₂₀₁₄) is less than Allowable Notional Revenue (R₂₀₁₄) by an amount of \$177,606. WELL has therefore complied with the price path calculated in accordance with clause 8.4 of the 2012 DPP Determination for the disclosure year ended 31 March 2014.

Determination Requirement	Actual notional revenue divided by allowable notional revenue at the assessment date	Is not to exceed	One
Compliance Formula	$\frac{NR_{2014}}{R_{2014}}$	≤	1
WELL Result	$\frac{106,523,285}{106,700,891} = 0.9983$	≤	1

Table 1: Price path compliance

The summary calculation of NR_{2014} is provided in Table 2 below.

WELL's Actual Notional revenue, $NR_{2014} = \sum P_{i,2014} Q_{i,2012} - K_{2014} - V_{2014}$	
Calculation Components	Amount (\$)
$\sum P_{i,2014} Q_{i,2012}$ – the sum of the i^{th} prices during any part of the Pricing Period 1 April 2013 to 31 March 2014 multiplied by the corresponding base quantities for the Pricing Period 1 April 2011 to 31 March 2012	168,766,731
K_{2014} – the sum of all Pass-Through Costs for the Pricing Period 1 April 2013 to 31 March 2014	2,856,761
V_{2014} – the sum of all Recoverable Costs for the Pricing Period 1 April 2013 to 31 March 2014	59,386,684
Total Actual Notional Revenue as at 31 March 2014	106,523,285

Table 2: WELL's Actual Notional Revenue NR_{2014}

WELL's Allowable Notional Revenue, $R_{2014} = (MAR_{2014} + K_{2014} + V_{2014})/\Delta D - K_{2014} - V_{2014}$	
Calculation Components	Amount (\$)
MAR_{2014} – the maximum allowable revenue for the Pricing Period 1 April 2013 to 31 March 2014 ¹	109,404,000
K_{2014} – the sum of all Pass-Through Costs for the Pricing Period 1 April 2013 to 31 March 2014	2,856,761
V_{2014} – the sum of all Recoverable Costs for the Pricing Period 1 April 2013 to 31 March 2014	59,386,684
ΔD – the change in constant price revenue for the period 1 April 2012 to 31 March 2014 ¹	1.6%
Total Allowable Notional Revenue as at 31 March 2014	106,700,891

Table 3: WELL's Allowable Notional Revenue R_{2014}

¹ Commerce Commission, 30 November 2012, Electricity Distribution Services Default Price-Quality Path Determination 2012. As defined in Schedule 1C: Allowable notional revenue for the Fourth Assessment Period, Table 4. Available at <http://www.comcom.govt.nz/regulated-industries/electricity/electricity-default-price-quality-path/2010-2015-default-price-quality-path/>

2.2. Pass-Through and Recoverable Costs

Table 4 below provides the breakdown of Pass-Through and Recoverable Costs incurred by WELL during the Assessment Period.

Description	Year to 31 March 2014 (\$000) Actual	Year to 31 March 2014 (\$000) Forecast	Variance (\$000)
Pass-Through Costs			
Council Rates	2,241	2,104	137
Commerce Commission Levies	254	186	68
Electricity Authority Levies	296	375	(79)
Electricity and Gas Complaints Commissioner Levies	66	-	66
Total Pass-Through Costs	2,857	2,665	192
Recoverable Costs			
Electricity Lines Service Charge payable to Transpower	57,918	57,918	-
Transpower New Investment Contract Charge	1,244	1,277	(33)
Avoided Transmission Charges	225	219	6
Total Recoverable Costs	59,387	59,414	(27)
Total Pass-Through and Recoverable costs	62,243	62,079	164

Table 4: Comparison of WELL's actual and forecast Pass-Through and Recoverable Costs

The overall variance between WELL's actual and forecast Pass-Through and Recoverable Costs for the current Assessment Period is due to the minor "business as usual" variability, in relation to:

- Council Rates: are the total cost of council rates charged to WELL by local authorities for the year ended 31 March 2014;
- Commerce Commission Levies: are charged to WELL by the Ministry of Business Innovation and Employment under the *Commerce (Levy on Suppliers of Regulated Goods and Services) Regulations 2009* for the year ended 31 March 2014.
- Electricity Authority's Levies: include all applicable components (Common Quality, Registry and Consumer, Transmission, Other Activities and MACQS Reform invoice lines) charged to WELL by the Electricity Authority under the *Electricity Industry (Levy of Industry Participants) Regulations 2010* for the year ended 31 March 2014;
- Electricity and Gas Complaints Commissioner (EGCC) Levies: are charged to WELL by the EGCC for the complaint resolution process.

- Electricity Lines Service Charge and New Investment Charge: reflect the total charges paid by WELL to Transpower for the year ended 31 March 2014. These charges are determined in accordance with the Transmission Pricing Methodology set out in the *Electricity Industry Participation Code 2010*;
- Avoided Transmission Charges: are payments made to generators connected to the distribution system that cause transmission charges to be avoided.

2.3. Price restructures

WELL confirms that it has not restructured its prices that applied during the Assessment Period that ended on the Assessment Date 31 March 2014.

2.4. Transactions involving non-exempt EDBs

WELL confirms that there have been no transactions resulting in:

- an amalgamation or merger;
- consumers being supplied by a different EDB;
- increased/decreased electricity distribution services by more than 10%; and
- increased/decreased revenue from supply of electricity distribution services by more than 10%.

2.5. Transmission assets

WELL has not purchased any transmission assets from Transpower during the Assessment period.

3. Quality Standards

3.1. Quality standards assessment as at 31 March 2014

This section of the Statement provides information on WELL's compliance with the quality standards under clause 9 of the 2012 DPP Determination for the Assessment Period ended 31 March 2014.

3.2. Assessed Values and Reliability Limits

Clause 9.1 of the 2012 DPP Determination requires WELL to demonstrate that for the Assessment Period it:

- Complies with the annual reliability assessment specified in clause 9.2 of the 2012 DPP Determination; or
- Has complied with the annual reliability assessments for the two immediately preceding extant assessment periods.

Table 5 below shows that for the current Assessment Period WELL exceeded the reliability limits for SAIDI and SAIFI as outlined in clause 9.2 of the 2012 DPP Determination.

Requirement	Assessment	Limit	Assessment/Limit	Variance
SAIDI	78.876	40.744	1.936	38.132
SAIFI	1.107	0.602	1.839	0.505

Table 5: WELL's reliability performance for the current Assessment Period

Further detailed calculations in relation to the assessment in Table 5 are provided at Attachment 4 of this Statement.

WELL continues to make improvements in the management of its assets which we have identified as being poorly performing. This has had a positive response to reliability in a number of asset areas or identification and removal of root cause situations from reoccurring. By monitoring areas identified or evaluating fault causes that result in lower network performance, steps are taken to introduce performance improvement initiatives. These initiatives have been outlined in our annual AMP disclosure. The improvement steps often require greater education and involvement with the public and third parties to improve their practices when working in the vicinity of our assets to reduce the occurrence of interference with network equipment.

The 2012-13 Disclosure confirmed a non-compliance for the SAIDI standard and a separate report was provided which indicated despite improvements in quality performance across a range of areas, that the interruptions to customers exceeded boundary levels due to adverse weather. The weather patterns appear to be continuing at a level well above the prior period used for setting the historically based quality targets and this weather pattern has continued in 2013-14 globally, with the resultant adverse impact on network supply quality. To rectify this situation, there needs to be careful consideration of resetting quality targets to accommodate a greater number of extreme weather

events or to consider what further network investment would be required to either strengthen or alter the existing asset configuration to make the supply system more resilient to the higher level storm conditions which are being experienced. It is pleasing to see the Industry and Commission working through ideas and alternative strategies to see how future reliability performance measures can be set and we look forward to the outcome from the Industry Working Group.

The largest contribution to the performance results for the regulatory period ended 31 March 2014 was due to two major storms that hit the Wellington Region on 20 to 22 June 2013 and 14 October 2013 and two major earthquakes on 21 July 2013 and 16 August 2013.

The storm in June 2013 resulted in widespread network outages and affected over 60,000 customers. The storm caused significant damage to WELL's network assets. In this event, wind gusts peaking at over 200 kilometres per hour (km/h), and remaining in excess of 100 km/h for 44 hours uprooted trees, damaged buildings and flung debris into the overhead lines. The majority of the outages were caused by trees that fell on lines damaging poles and conductors. Other causes were airborne debris contacting network assets, conductors breaking or detaching from the insulators and poles broken due to very high winds. The total SAIDI recorded due to this major storm was 136.029 minutes. The daily SAIDI values for each of 20 and 21 June were substituted with the boundary value of 9.724 minutes, as allowed under the 2012 DPP Determination.

On 14 October 2013, another major storm hit the Wellington region which affected the network significantly. Wind gusts exceeded 160 km/h and remained in excess of 100 km/h for 22 hours. The total SAIDI recorded for this event was 9.058 minutes.

Two major earthquakes affected the Wellington region in July and August 2013, which caused an outage at the zone substation at Karori, as well as overhead feeders to trip due to line clashes. Both events affected approximately 7,000 customers each and contributed a total SAIDI of 2.635 minutes.

The major storm and earthquake events mentioned above are considered to be high impact, low probability events (**HILP**) which under reasonable circumstances could not have been foreseen nor cost effectively planned for as part of system design.

A separate explanation paper has been prepared and will be supplied to the Commerce Commission under separate cover.

3.3. Policies and procedures used for recording SAIDI and SAIFI statistics

Clause 11.3(i) of the 2012 DPP Determination requires WELL to describe the policies and procedures which it has used to record the SAIDI and SAIFI statistics for the Assessment Period.

WELL submits that the primary control system used to record the SAIDI and SAIFI statistics for the Assessment Period is the ENMAC SCADA system (the **system**). The system provides information about major devices operating on the network (e.g. circuit breaker status) and can normally be remotely controlled (e.g. open or close the circuit breaker). In addition, other devices on the network including fuses, manual switches and some circuit breakers are represented in the system. Although these devices are operated in the field manually, their status (e.g. open or closed) is updated in the system by the network controller at the time of manual field operation. In particular, the system records:

- All planned and unplanned outages of 11 kV and greater;

- All unplanned outages less than one minute in duration (including successful auto-reclose events), however, the SAIDI and SAIFI details are not counted; and
- Outages using manual logs, system and manual data entered in the Reliability Report Sheet.

The system includes a database that stores the outage information, as well as being a live system. The recording of outage information undergoes a process of manual validation by the Network Control Manager and the Network Engineer to ensure the correctness of the data before being entered in the Reliability Report Sheet.

The current procedure that is followed to capture network performance information for planned and unplanned outages is shown in Figure 1 below and described in section 3.3.1:

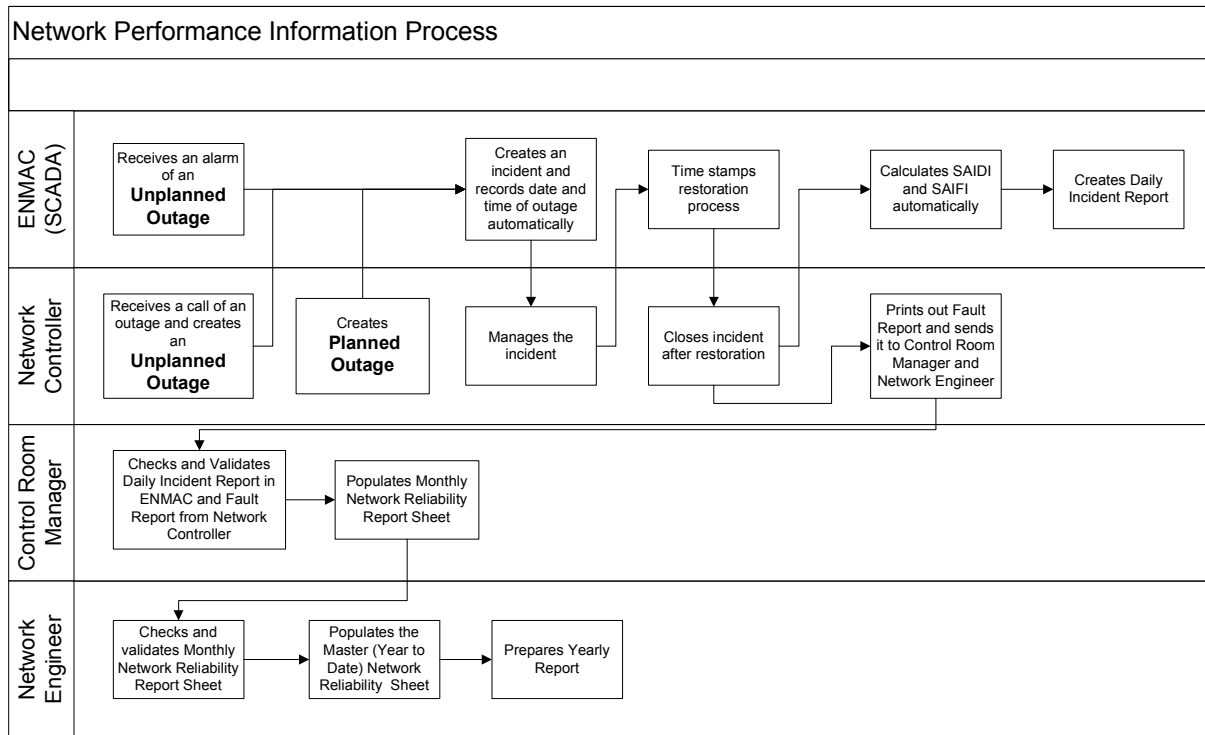


Figure 1: Summary of process for capturing network outage information

3.3.1 Process for outage data capture

For unplanned outages, the initial indication is provided by the system and the fault is time stamped, along with subsequent switching operations. Where the outage relates to a non-system indicating device, such as a drop-out fuse, the outage is recorded from the time the faultman confirms on site that it is an HV fault, then subsequent switching operations are completed on the system (as a system mimic) and are time stamped. Where the fault is notified by a customer reporting no-power, and is then subsequently found to be an HV fault, the start time is taken from the time of the first phone call notification. In some cases, there is no means to confirm the time the fault actually occurred until it is notified to WELL or discovered in the field.

The system automatically creates an incident when a telemetered device is opened due to a fault. The fault is automatically recorded by the system to keep details of the switching procedure which includes

the time of switching operations. The total number of customers is included in the system's database and the system computes the SAIDI and SAIFI statistics automatically.

After an outage is resolved, an outage report is generated by the system which the Network Control Room Manager validates with the notes of the Network Controllers. The information that is validated is as follows:

- Date outage started and ended;
- Time outage started and ended;
- Duration of outage;
- Number of customers impacted;
- Total customers minutes lost (based on switching operations);
- Total customer number (on network);
- SAIDI for outage;
- SAIFI for outage;
- Fault type; and
- Fault cause.

The data in system is reviewed for accuracy, particularly for non-system controlled devices where the incident is generated by the Network Controller. There may be a short time delay between the action in the field occurring, and the time the system is updated (e.g. field device manually operated at 3.10pm, system updated at 3.12pm, but with an action entered timestamp of 3.10pm which was recorded in the manual switching log). Accuracy of this data is confirmed by the system timestamp.

The Network Control Room Manager confirms this by reviewing the system reports (generated automatically) with the fault report kept by the Network Controller to ensure the times are correctly recorded in the system, and where necessary make corrections.

Once confirmed as accurate, the final system individual event reports are compiled into a Monthly Network Reliability Report which is used for the monthly reporting of SAIDI and SAIFI indices. This report is sent to the Network Engineer for final validation and is entered into a Master (Year to Date) Reliability Spreadsheet and is used for the reporting of yearly performance.

For planned outages, the proposed switching operations are entered into the system by the Network Controller prior to the event. During the event the system creates an incident and the Network Controller enters the time the operation occurred. Some planned works appear as outages, however due to LV back feeds or the use of generators there is no loss of supply. Whether the planned events result in an outage or not is validated by the Network Control Room Manager by confirming with the Network Control Room who refer to the job specific documents, before it is entered in the monthly reliability report sheet as an outage.

The records of planned and unplanned events occur automatically in the system. All data is provided directly from the system.

Attachment 1: Auditor's Report



AUDITOR'S REPORT ON ANNUAL COMPLIANCE STATEMENT

To the Directors of Wellington Electricity Lines Limited ("WELL").

We have audited the attached Annual Compliance Statement on pages 5 to 12 and 15 to 18, which is an Annual Compliance Statement in respect of the default price-quality path prepared by WELL for the period of 1 April 2013 to 31 March 2014 (the assessment period) and dated 9 June 2014 for the purposes of clause 11 of the Electricity Distribution Default Price-Quality Path Determination 2012 (the Determination).

In relation to the price path set out in clause 8 of the Determination, our audit included an examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 5 to 12 and 15 to 18 of the Annual Compliance Statement.

In relation to the SAIDI and SAIFI statistics for the Reference Period and the Assessment Period ended on 31 March 2014, including the calculation of the Reliability Limits and the Assessed Values, which are relevant to the quality standards set out in clause 9 of the Determination, our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 5 to 12 and 15 to 18 of the Annual Compliance Statement.

Our audit also included an assessment of the significant estimates and judgments, if any, made by WELL in the preparation of the Annual Compliance Statement and an assessment of whether the basis of preparation has been adequately disclosed.

Directors' Responsibilities

The Directors of WELL are responsible for the preparation of the Annual Compliance Statement in accordance with the Determination and for such internal control as the Directors determine is necessary to enable the preparation of an Annual Compliance Statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on the Annual Compliance Statement based on our audit. We conducted our audit in accordance with International Standards on Auditing, International Standards on Auditing (New Zealand) and Standard on Assurance Engagements 3100: *Compliance Engagements*. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Annual Compliance Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Compliance Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Annual Compliance Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the Annual Compliance Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates, as well as evaluating the overall presentation of the Annual Compliance Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. We have no relationship with or interests in WELL, other than in our capacity as auditor (including other regulatory audit services) and the provision of taxation advice.

Opinion

In our opinion, the Annual Compliance Statement of Wellington Electricity Lines Limited for the Assessment Period ended on 31 March 2014, has been prepared, in all material respects, in accordance with the Determination.

Limitations and Use of this Independent Assurance Report

This independent assurance report has been prepared solely for the Directors of WELL and the Commissioners of the New Zealand Commerce Commission in accordance with the Determination. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Directors of WELL and the Commissioners, or for any purpose other than that for which it was prepared.

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

Our audit was completed on 9 June 2014 and our opinion is expressed as at that date.

Chartered Accountants Wellington, New Zealand

This audit report relates to the Annual Compliance Statement in respect of the default price-quality path prepared by Wellington Electricity Lines Limited for the period 1 April 2013 to 31 March 2014 included on Wellington Electricity Lines Limited's website. Wellington Electricity Lines Limited's Board of Directors is responsible for the maintenance and integrity of Wellington Electricity Lines Limited's website. We have not been engaged to report on the integrity of Wellington Electricity Lines Limited's website. We accept no responsibility for any changes that may have occurred to the Annual Compliance Statement since they were initially presented on the website.

The audit report refers only to the Annual Compliance Statement named above. It does not provide an opinion on any other information which may have been hyperlinked to/from the Annual Compliance Statement. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited Annual Compliance Statement and related audit report dated 9 June 2014 to confirm the information included in the audited Annual Compliance Statement presented on this website.

Attachment 2: Director's certificate

Schedule 3B: Form of Directors' Certificate on Annual Compliance Statement

I, Richard C. Pearson, being director of Wellington Electricity Lines Limited certify that, having made all reasonable enquiry, to the best of my/our knowledge and belief, the attached Annual Compliance Statement of Wellington Electricity Lines Limited, and related information, prepared for the purposes of the *Electricity Distribution Services Default Price-Quality Path Determination 2012* are true and accurate.



Director

7 June 2014

Note: Section 103(2) of the Commerce Act 1986 provides that no person shall attempt to deceive or knowingly mislead the Commission in relation to any matter before it. It is an offence to contravene section 103(2) and any person who does so is liable on summary conviction to a fine not exceeding \$10,000 in the case of an individual or \$30,000 in the case of a body corporate.

Attachment 3: Summary Notional Revenue

- For each tariff element the base quantity (number of end consumers or annual energy of all consumers) was retrieved from the appropriate information systems for the year ended 31 March 2012.
- Prices applicable for the Assessment Period have been taken from WELL's published price schedules.
- Base quantities were multiplied by the price applicable to determine the Notional Revenue for the Assessment Period.

Charge Type	2012 Tariff Code	Base Quantity (2011/12)	Base Unit	2013/14 Price	Price Unit	Notional Revenue 2013/14
Fixed	G001-FIXD	332	ICPs	0.0371	\$/day/fitting	12
Variable	G001-24UC	21,665,826	ICPs	0.1435	\$/kWh	3,109,046
Fixed	G002-FIXD	15,999,007	ICPs	0.0371	\$/day/fitting	593,563
Variable	G002-24UC	1,643,267	ICPs	0.1435	\$/kWh	235,809
Fixed	G100-FIXD	8,584,500	ICPs	0.1500	\$/day	1,287,675
Variable	G100-24UC	163,715,659	ICPs	0.1043	\$/kWh	17,075,543
Variable	G100-NITE	3,548,411	ICPs	0.0177	\$/kWh	62,807
Fixed	G101-FIXD	3,164,561	ICPs	0.1500	\$/day	474,684
Variable	G101-24UC	49,552,749	ICPs	0.1043	\$/kWh	5,168,352
Variable	G101-CTRL	20,961,548	ICPs	0.0489	\$/kWh	1,025,020
Variable	G101-NITE	875,254	ICPs	0.0177	\$/kWh	15,492
Fixed	G102-FIXD	42,012,642	ICPs	0.1500	\$/day	6,301,896
Variable	G102-AICO	852,916,300	ICPs	0.0819	\$/kWh	69,853,845
Variable	G102-NITE	17,211,347	ICPs	0.0177	\$/kWh	304,641
Fixed	G103-FIXD	213,056	ICPs	0.1500	\$/day	31,958
Variable	G103-24UC	7,116,163	ICPs	0.1054	\$/kWh	750,044
Fixed	G104-FIXD	-	ICPs	0.1500	\$/day	-
Variable	G104-24UC	-	ICPs	0.1043	\$/kWh	-
Variable	G104-NITE	-	ICPs	0.0177	\$/kWh	-
Fixed	G105-FIXD	-	ICPs	0.1500	\$/day	-
Variable	G105-24UC	-	ICPs	0.1043	\$/kWh	-
Variable	G105-CTRL	-	ICPs	0.0489	\$/kWh	-
Variable	G105-NITE	-	ICPs	0.0177	\$/kWh	-
Fixed	G106-FIXD	-	ICPs	0.1500	\$/day	-
Variable	G106-AICO	-	ICPs	0.0819	\$/kWh	-
Variable	G106-NITE	-	ICPs	0.0177	\$/kWh	-
Fixed	G107-FIXD	-	ICPs	0.1500	\$/day	-
Variable	G107-24UC	-	ICPs	0.1054	\$/kWh	-
Fixed	G108-FIXD	-	ICPs	0.1500	\$/day	-
Variable	G108-24UC	-	ICPs	0.1043	\$/kWh	-
Variable	G108-CTRL	-	ICPs	0.0489	\$/kWh	-
Variable	G108-NITE	-	ICPs	0.0177	\$/kWh	-
Fixed	G109-FIXD	-	ICPs	0.1500	\$/day	-
Variable	G109-24UC	-	ICPs	0.1043	\$/kWh	-
Variable	G109-CTRL	-	ICPs	0.0489	\$/kWh	-
Variable	G109-NITE	-	ICPs	0.0177	\$/kWh	-
Fixed	GV02-FIXD	1,772,965	ICPs	0.5272	\$/day	934,707
Variable	GV02-24UC	44,208,273	ICPs	0.0605	\$/kWh	2,674,601
Variable	GV07-FIXD	3,944,610	ICPs	1.3040	\$/day	5,143,771
Variable	GV07-24UC	377,111,595	ICPs	0.0421	\$/kWh	15,876,398
Fixed	GV14-FIXD	134,240	ICPs	7.3888	\$/day	991,871
Variable	GV14-24UC	61,069,462	ICPs	0.0497	\$/kWh	3,035,152
Fixed	GV30-FIXD	82,547	ICPs	10.5253	\$/day	868,831
Variable	GV30-24UC	67,203,828	ICPs	0.0206	\$/kWh	1,384,399
Fixed	GV99-FIXD	110,461	ICPs	26.5404	\$/day	2,931,672
Variable	GV99-24UC	206,744,424	ICPs	0.0092	\$/kWh	1,902,049
Variable	GV99-DAMD	635,044	ICPs	8.1714	\$/kVA/month	5,189,199
Fixed	GX02-FIXD	-	ICPs	0.4795	\$/day	-
Variable	GX02-24UC	-	ICPs	0.0551	\$/kWh	-
Fixed	GX07-FIXD	1,750	ICPs	1.1855	\$/day	2,075
Variable	GX07-24UC	94,446	ICPs	0.0383	\$/kWh	3,617
Fixed	GX14-FIXD	5,019	ICPs	6.7170	\$/day	33,711
Variable	GX14-24UC	3,204,278	ICPs	0.0453	\$/kWh	145,154
Fixed	GX30-FIXD	29,673	ICPs	9.5684	\$/day	283,927
Variable	GX30-24UC	44,177,667	ICPs	0.0187	\$/kWh	826,122
Fixed	GX99-FIXD	82,549	ICPs	20.6450	\$/day	1,704,214
Variable	GX99-24UC	312,725,806	ICPs	0.0073	\$/kWh	2,282,898
Variable	GX99-CAPY	57,962,224	ICPs	0.0173	\$/kVA/day	1,002,746
Variable	GX99-DAMD	922,358	ICPs	6.6977	\$/kVA/month	6,177,675
Fixed	GC60-FIXD	6,916	ICPs	0.0459	\$/day	317
Variable	GC60-24UC	86,423,616	ICPs	0.0014	\$/kWh	120,993
Variable	GC60-CAPY	18,426,172	ICPs	0.0297	\$/kVA/day	547,257
Variable	GC60-DOPC	223,443	ICPs	11.8513	\$/kW/month	2,648,086
Variable	GC60-PWRF	20,034	ICPs	8.7673	\$/kVAr/month	175,646
Fixed	GU60-FIXD	6,154	ICPs	0.0459	\$/day	282
Variable	GU60-24UC	79,771,832	ICPs	0.0014	\$/kWh	111,681
Variable	GU60-CAPY	14,287,944	ICPs	0.0297	\$/kVA/day	424,352
Variable	GU60-DOPC	184,029	ICPs	12.3399	\$/kW/month	2,270,899
Variable	GU60-PWRF	16,671	ICPs	8.7673	\$/kVAr/month	146,159
Fixed	GR60-FIXD	731	ICPs	0.0459	\$/day	34
Variable	GR60-24UC	2,304,035	ICPs	0.0014	\$/kWh	3,226
Variable	GR60-CAPY	1,438,383	ICPs	0.0297	\$/kVA/day	42,720
Variable	GR60-DOPC	11,378	ICPs	14.8707	\$/kW/month	169,192
Variable	GR60-PWRF	246	ICPs	8.7673	\$/kVAr/month	2,155
Standard Charges Total (\$)						166,348,176
Non Standard Charges Total (\$)						2,418,555
Notional Revenue Total (\$)						168,766,731

Attachment 4: Annual reliability assessment for extant Assessment Periods

The tables below show the reliability assessments for the current Assessment period and prior two Assessment Periods:

Second Assessment Period (2012)

Requirement	Assessment	Limit	Assessment/Limit	Result
SAIDI	45.858	40.744	1.126	>1
SAIFI	0.715	0.602	1.188	>1

Third Assessment Period (2013)

Requirement	Assessment	Limit	Assessment/Limit	Result
SAIDI	43.290	40.744	1.063	>1
SAIFI	0.573	0.602	0.952	<1

Fourth Assessment Period (2014)

Requirement	Assessment	Limit	Assessment/Limit	Result
SAIDI	78.876	40.744	1.936	>1
SAIFI	1.107	0.602	1.839	>1

Attachment 5: Calculation of SAIDI and SAIFI

WELL's SAIDI Boundary Value, $B_{SAIDI} = e^{(\alpha_{SAIDI} + 2.5\beta_{SAIDI})}$	
Calculation Components	Amount
α_{SAIDI}	-2.979
β_{SAIDI}	5.254
Total SAIDI Boundary Value as at 31 March 2014	9.724

WELL's SAIFI Boundary Value, $B_{SAIFI} = e^{(\alpha_{SAIFI} + 2.5\beta_{SAIFI})}$	
Calculation Components	Amount
α_{SAIFI}	-7.333
β_{SAIFI}	5.893
Total SAIFI Boundary Value as at 31 March 2014	0.237

WELL's SAIDI Reliability Limit, $SAIDI_{LIMIT} = \mu_{SAIDI} + \sigma_{SAIDI}$	
Calculation Components	Amount
μ_{SAIDI}	33.897
σ_{SAIDI}	6.847
Total SAIDI Reliability Limit as at 31 March 2014	40.744

WELL's SAIFI Reliability Limit, $SAIFI_{LIMIT} = \mu_{SAIFI} + \sigma_{SAIFI}$	
Calculation Components	Amount
μ_{SAIFI}	0.517
σ_{SAIFI}	0.085
Total SAIFI Reliability Limit as at 31 March 2014	0.602

WELL purchased the Wellington network on 24 July 2008 from Vector. Vector maintained operational control until July 2009 for SAIDI and SAIFI. Necessary information for the period up to July 2009 was sourced from Vector. The information was used to calculate the SAIDI and SAIFI boundary values and the SAIDI and SAIFI Reliability Limits shown above.

Attachment 6: Customer numbers for SAIDI and SAIFI

Year	Total Customers	Customers Impacted*	Customer Minutes Lost
04/05	157,410	60,717	6,288,957
05/06	158,555	80,086	4,980,787
06/07	159,625	103,168	5,583,921
07/08	161,476	83,057	5,111,293
08/09	162,625	86,274	5,745,190
09/10	163,591	111,077	8,626,989
10/11	164,081	88,112	5,699,846
11/12	164,602	111,645	7,551,791
12/13	164,705	92,851	7,129,945
13/14	164,797	180,928**	31,437,753**

WELL purchased the Wellington network on 24 July 2008 from Vector. Vector maintained operational control until July 2009 for SAIDI and SAIFI. Necessary information for the period up to July 2009 was sourced from Vector.

* The number represents the total number of customers affected by the outages. It may be that a customer was affected by an outage more than once.

**These numbers are based on the total outages (including the outages during the Major Event Days) for the regulatory year.