

# *Information Disclosure by Aurora Energy Ltd* for the year ended 31 March 2012

Pursuant to the  
*ELECTRICITY DISTRIBUTION (INFORMATION DISCLOSURE) REQUIREMENTS 2008*

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### **Information Disclosure Disclaimer**

*Information disclosed in this document has been prepared solely for the purposes of the Electricity Information Disclosure Requirements 2008.*

*The Requirements require the information to be disclosed in the manner it is presented.*

*The information should not be used for any other purpose than that intended under the Requirements.*

*The information disclosed is for the lines business as described in the Requirements. There are other activities of the Company that are not required to be reported under the Requirements.*

### **A STATUTORY DECLARATION FOR PUBLICLY DISCLOSED INFORMATION (REQUIREMENT 13(1))**

I, Raymond Stuart Polson of 80 Browns Road, St Albans, Christchurch, being a director of Aurora Energy Ltd, solemnly and sincerely declare that having made all reasonable enquiry, to the best of my knowledge, the information attached to this declaration is a true copy of information made available to the public by Aurora Energy Ltd under the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008.

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

Declared at Dunedin this 12<sup>th</sup> day of December 2012



T.J. Hillerby, JP  
#3258  
DUNEDIN  
Justice of the Peace for New Zealand

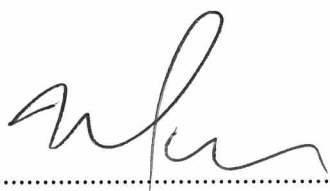


Justice of the Peace (or Solicitor or other person authorised to take a statutory declaration)

**B CERTIFICATE FOR DISCLOSED INFORMATION (REQUIREMENT 11(1))**

We, Raymond Stuart Polson and Stuart James McLauchlan, directors of Aurora Energy Ltd, certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of Aurora Energy Ltd prepared for the purposes of requirement 3, 4, 6 and 7(5) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements -

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



Raymond Stuart Polson



Stuart James McLauchlan

12 December 2012

## C DISCLOSURE OF INFORMATION REQUIRED IN FINANCIAL STATEMENTS (REQUIREMENT 3(1))

REPORT FS1: REGULATORY PROFIT STATEMENT			
ref	Electricity Distribution Business:	Aurora Energy Limited	
5		For Year Ended	2012
6	<b>Income</b>		
7			(\$000)
8	Net Line Charge Revenue Received	76,503	
9	plus Discretionary Discounts and Customer Rebates	-	FS1a
10	<b>Gross Line Charge Income</b>	76,503	
11			
12			
13	Capital Contributions	3,820	
14	plus Net Value of Vested Assets	-	
15	<b>Total Capital Contributions and Vested Assets</b>	3,820	
16			
17	AC Loss Rental Rebates Received	1,555	
18	less AC Loss Rental Rebates Passed On	1,555	
19	<b>Net AC loss rental income (deficit)</b>	-	
20			
21			
22	<b>Other Income</b>	711	
23		711	
24			
25	<b>Total regulatory income</b>	81,034	
26			
27			
28	<b>Expenses</b>		
29			
30	Transmission Charges - Payments to Transpower	18,092	
31	plus Avoided Transmission Charges - payments to parties other than Transpower	4,580	
32	<b>Total Transmission Costs</b>	22,672	
33			
34	<b>Operational Expenditure:</b>		
35	General Management, Administration and Overheads	4,784	
36	System Management and Operations	5,055	
37	Routine and Preventative Maintenance	3,236	to AM1
38	Refurbishment and Renewal Maintenance	1,521	to AM1
39	Fault and Emergency Maintenance	4,536	to AM1
40	Pass-through Costs	894	
41	Other	-	
42	<b>Total Operational Expenditure</b>	20,026	to MP2
43			
44			
45	<b>Operational earnings</b>	38,336	
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	9,663	from AV1
49	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	-	from AV1
50	<b>Total Regulatory Depreciation</b>	9,663	to FS3
51			
52			
53	<b>Earnings before interest and tax (EBIT)</b>	28,673	to FS3
54			
55	less Regulatory Tax Allowance	3,508	from FS3
56			
57	plus Indexed Revaluation (of System Fixed Assets)	5,060	from AV1
58	plus Revaluations of Non-System Fixed Assets	-	from AV1
59			
60	<b>Regulatory profit / loss (pre-financing and distributions)</b>	30,225	to MP2

## REPORT FS1: REGULATORY PROFIT STATEMENT (cont)

### Notes to Regulatory Profit Statement

69	<b>FS1a: Discretionary Discounts: Customer Rebates and other line charge adjustments</b>		<b>(\$000)</b>
70	Customer Rebates		
71	Line Charge Holidays and other Discretionary Discounts		
72	<b>Total Discretionary Discounts and Customer Rebates</b>		<b>-</b>

75	<b>FS1b: Related party expenditure - summary</b>		<b>(\$000)</b>
76	Avoided Transmission Charges		
77	Operational Expenditure	17,134	
78	Subvention Payment	-	
79	Other related party expenditure		
80	<b>Total Related Party Expenditure</b>		<b>17,134</b>
81			
82			
83	<i>N.B.: The additional Related Party information that is required to be disclosed in accordance with Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this Schedule and forms part of this Schedule.</i>		
84			

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

106	<b>FS1d: Vested Assets</b>		<b>(\$000)</b>
107	Consideration Paid for Vested Assets		

110	<b>FS1e: Reclassified items in Operational Expenditure</b>		<b>(\$000)</b>
111	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
112	Previous classification:	Select one	
113	New classification:	Select one	
114			
115			<b>(\$000)</b>
116	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
117	Previous classification:	Select one	
118	New classification:	Select one	
119			
120			<b>(\$000)</b>
121	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)		
122	Previous classification:	Select one	
123	New classification:	Select one	
124			
	<i>to be repeated as required for multiple reclassifications</i>		

## REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Aurora Energy Limited	
		For Year Ended	2012
5			
6			
7	<b>Capital Expenditure on System Fixed Assets (by primary purpose)</b>	<b>(\$000)</b>	
8	Customer Connection	3,517	to AM1
9	System Growth	5,396	to AM1
10	Reliability, Safety and Environment	1,834	to AM1
11	Asset Replacement and Renewal	4,979	to AM1
12	Asset Relocations	788	to AM1
13	<b>Total Capital Expenditure on System Fixed Assets</b>	<b>16,514</b>	to AM1
14			
15			
16	<b>Capital Expenditure on Non-System Fixed Assets</b>	<b>-</b>	from AV1
17			
18			
19	<b>Capital works roll-forward (for System Fixed Assets)</b>		
20	Works Under Construction at Beginning of Year	9,429	
21	plus Total Capital Expenditure on System Fixed Assets	16,514	
22	less Assets Commissioned in Year	18,244	from AV1
23	<b>Works under construction at year end</b>	<b>7,699</b>	
24			
25			
26	<b>Regulatory Investment Value calculation</b>		
27	System Fixed Assets: regulatory value at end of Previous Year	322,180	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	-	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	7,893	2.45%
30	<b>Total Regulatory Asset Base value at beginning of Current Financial Year</b>	<b>330,074</b>	
31			
32	plus System Fixed Assets Commissioned in Year	18,244	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	-	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	18,244	
36	<b>Regulatory Asset Base investment in Current Financial Year - average</b>	<b>9,122</b>	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	<b>Adjustment for merger, acquisition or sale to another EDB</b>	<b>-</b>	from AV4
40			
41	<b>Regulatory Investment Value</b>	<b>339,196</b>	to MP2

## REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

ref		Electricity Distribution Business:	Aurora Energy
5		For Year Ended	2012
6			
7			(\$000)
8			28,673
9			from FS1
10	add	Total Regulatory Depreciation	9,663
11		Other Permanent Differences - not deductible	-
12		Other Temporary Adjustments - Current Period	800
13			10,463
15	less	Non Taxable Capital Contributions and Vested Assets	3,820
16		Tax Depreciation	14,890
17		Deductible Discretionary Discounts and Customer Rebates	-
18		Deductible Interest	7,896
19		Other Permanent Differences - Non Taxable	
20		Other Temporary Adjustments - Prior Period	
21			26,606
22			
23		Regulatory taxable income for Year	12,530
24			
25	less	Tax Losses Available at Start of Year	-
26		Net taxable income	12,530
27			
28		Statutory Tax Rate	28%
29		Regulatory Tax Allowance	3,508
			to FS1

### Notes to Regulatory Tax Allowance Calculation

36	<b>FS3a: Description of adjustments classified as "other"</b>
37	
38	The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory
39	notes can be provided in a separate note if necessary).
40	
41	
42	
43	
44	
45	

48	FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)				
49					
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%		
51					
52	Standard Cost of Debt Assumption	5.82%	%		
53					
54	Deductible Interest	7,896	\$000		to row 18
55					
56	Interest Tax Shield Adjustment	2,211	\$000		to MP2

## **STATEMENT OF ACCOUNTING POLICIES**

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### **Special Purpose Financial Statements**

These financial statements have been prepared in accordance with the requirements of the Electricity Distribution (Information Disclosure) Requirements 2008 and relates to the Line Business of Aurora Energy Limited which includes the conveyance of electricity, ownership of works for conveyance of electricity and provision of line function services.

### **Specific Accounting Policies**

The methodology adopted to allocate costs, revenues, assets and liabilities to the Lines Businesses is in accordance with the Requirements and/or the Electricity Information Disclosure Handbook.

The particular accounting policies adopted in the preparation of these financial statements are:

(a) **Revenue**

Revenue shown in the Regulatory Profit Statement (report FS1) relates to the Line Business.

(b) **Expenditure**

Expenditure shown in the Regulatory Profit Statement is derived as follows:

- Transmission charges, employee remuneration, administration and operating expenses are directly attributable to the Line Business.
- Maintenance and operation is provided in accordance with a 10 year Asset Management Services Contract with Delta Utility Services Ltd.
- Other costs are allocated in accordance with the avoidable cost allocation methodology.

(c) **Distinction Between Capital and Revenue Expenditure**

Capital expenditure is defined as all expenditure on the creation of a new asset, and any expenditure which results in a significant improvement to the original function of an existing asset. Revenue expenditure is defined as expenditure which maintains an asset in working condition and expenditure incurred operating the Company.

(d) **Changes in Accounting Policies**

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

**Note 1 : Disclosure of Information Relating to Transactions Between Persons in a Prescribed Business Relationship and Related Parties**

	2012 \$000	2011 \$000
<b>During the Year the Line Business:</b>		
<b>Purchased the following services from Delta Utility Services Ltd:</b>		
Asset maintenance	9,293	8,452
Network management, operation and other	7,841	7,515
Consumer reconnections and disconnections	-	-
	<hr/>	<hr/>
Total	17,134	15,967
 Network capital work and development		
distribution substations	729	888
low voltage reticulation	2,636	2,209
distribution lines and cables	2,892	2,694
distribution transformers	1,684	1,322
zone substations	3,326	3,485
other plant and equipment	682	4
sub-transmission reticulation	91	2,971
	<hr/>	<hr/>
Total	12,040	13,573

Network operation and maintenance is charged in accordance with a Fixed Term Contract which was renewed for a 10 year period on 1 July 2007. Capital work is subject to open tender, established market rates, or competitive pricing.

At balance date, \$4.074 million was owed to Delta Utility Services Ltd (2011: \$4.652 million). Of this, \$1.059 million was due and payable in April, while \$3.015 million relating to capital work-in-progress was payable at a later date.

**Other Line Business Related Parties:**

The Lines Business has a borrowing facility with Dunedin City Treasury Ltd. During the year it paid \$8.912 million interest (2011: \$8.049 million) and as at 31 March 2012, \$122.90 million of loan monies were outstanding (2011: \$119.80 million).

During the year, the Lines Business also undertook the following transactions with Dunedin City Holdings Ltd:

Purchase of subvention expense	\$nil	(2011: \$0.331 million)
Dividends paid	\$10.003 million	(2011: \$13.985 million)

As at 31 March 2012, no subvention monies were outstanding (2011: \$nil).

No related party transactions took place at a nominal or nil value. No related party debts have been written-off or forgiven during the period.

During the year, the Lines Business also undertook the following transactions with Dunedin City Council:

Rates paid	\$0.382 million	(2011: \$0.403 million)
Undergrounding of street lights	\$0.169 million	(2011: \$nil)

## D DISCLOSURE RELATING TO ASSET VALUATIONS (REQUIREMENT 4(1))

### REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

ref		Electricity Distribution Business:	Aurora Energy Limited						
5								For Year Ended:	2012
6								Year of most recent ODV	2004
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
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### Notes to Annual Regulatory Valuation Roll-forward Report

57	AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets	
58	CPI as at date of ODV	928
59		
60	For Year Ended	2005 2006 2007 2008 2009 2010 2011 2012
61	CPI at CPI reference date	953 985 1010 1044 1075 1097 1146 1164
62	Revaluation Rate	2.69% 3.36% 2.54% 3.37% 2.97% 2.05% 4.47% 1.57%
63		
64	System Fixed Assets: Regulatory Value at End of Previous Year	193,833 210,575 221,825 238,932 259,761 277,953 296,258 322,180
65	Indexed Revaluation of System Fixed Assets	5,222 7,071 5,630 8,043 7,713 5,688 13,233 5,060 to FS1, AV1
68	AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB	
69	For Year Ended	2005 2006 2007 2008 2009 2010 2011 2012
70	Acquisition of System Fixed Assets from another EDB	
71	Sale of System Fixed Assets to another EDB	
72	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	

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

Electricity Distribution Business: Aurora Energy

For Year Ended: 2012

Subtotals by Asset Class (for System Fixed Assets)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	(\$000)
System Fixed Assets									
Regulatory Value of System Fixed Assets (as per most recent ODV)	15,562	28,643	40,514	64,018	29,988	14,042	1,066	193,833	from AV1
Cumulative roll-forward since most recent ODV:									
Asset Additions								139,329	from AV1
Indexed Revaluation (of System Fixed Assets)								57,661	from AV1
less Regulatory Depreciation (of System Fixed Assets)								60,058	from AV1
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	from AV1
Net Increase (Decrease) Due to Changes in Asset Register Information								5,057	from AV1
Regulatory Value of System Fixed Assets at Year End								335,822	from AV1

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

ref	Electricity Distribution Business:	Aurora Energy Limited
5	For Year Ended:	2012
6	<b>System Fixed Assets - Replacement Cost</b>	
7		(\$000)
8	Replacement cost at end of previous year	628,052
9		
10	Asset Additions	18,244 AV3a
11	Indexed Revaluation (of System Fixed Assets)	9,865
12	less Replacement Cost of Assets Decommissioned	3,234
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	- from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information	-
15	<b>Replacement cost of System Fixed Assets at year end</b>	<b>652,927</b>
16		
17		
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>	
19		
20	Depreciated Replacement Cost at end of previous year	327,234
21		
22	Asset Additions	18,244 AV3a
23	Indexed Revaluation (of System Fixed Assets)	5,140
24	less Depreciation of Replacement Cost	8,684
25	less Depreciated Replacement Cost of Assets Decommissioned	979
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	- from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information	-
28	<b>Depreciated replacement cost of System Fixed Assets at year end</b>	<b>340,955</b>

## REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (con

### Notes to Price and Quality Measures

36	<b>AV3a: New Asset Additions</b>	
37		
38	Asset Additions - Depreciated Replacement Cost	18,244 from AV1
39	plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	
40		
41	<b>Asset Additions - Replacement Cost</b>	<b>18,244</b>
42		

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

Electricity Distribution Business: Aurora Energy Limited

ref

6 Disclosure required? (YES or NIL DISCLOSURE):

7

8 As at (date):

9 Proportion of year following transfer of assets 0%

10

11

12

PART 1: Most recent ODV valuation of System Fixed Assets transferred

(\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transformers	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
Replacement Cost (RC)								.
less Depreciation								.
Depreciated Replacement Cost (DRC)	-	-	-	-	-	-	-	.
less Optimisation adjustment								.
Optimised Depreciated Replacement Cost (ODRC)	-	-	-	-	-	-	-	.
less Economic Value Adjustment (EVA)								.
Most recent ODV value	-	-	-	-	-	-	-	.

PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date)

(\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
Cumulative roll-forward since most recent ODV:			
Asset Additions			
Indexed Revaluation (of System Fixed Assets)			
less Regulatory Depreciation (of System Fixed Assets)			
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
Net Increase (Decrease) due to Changes in Asset Register Information			
RAB Value of Transferred Assets at Transfer Date	-		-
Acquisition of Assets from Another EDB	-	-	to AV1
Sale of Assets to Another EDB	-	-	to AV1
RAB Value of Transferred Assets at Transfer Date	-		
"p" factor (proportion of year following transfer of assets)	0%		
Adjustment for merger, acquisition or sale to another EDB		-	to FS2

PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred

(\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets	
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		-	to AV3
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		-	to AV3

Signed by: Selling Entity

Acquiring Entity

# E DISCLOSURE RELATING TO FINANCIAL AND EFFICIENCY PERFORMANCE MEASURES (REQUIREMENT 6(1) - TOTAL BUSINESS, DUNEDIN AND CENTRAL NETWORKS

## REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Aurora Energy Limited
6	For Year Ended:	2012
7	Network Name:	Total Business (enter "Total Business" or name of network)
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>	
11		Overhead (km) Underground (km) Total (km)
12	> 66kV	- - -
13	50kV & 66kV	108 1 109
14	33kV	404 92 496
15	SWER (all SWER voltages)	9 - 9
16	22kV (other than SWER)	- - -
17	6.6kV to 11kV (inclusive - other than SWER)	2,329 871 3,200
18	Low Voltage (< 1kV)	1,049 814 1,863
19	<b>Total circuit length (for Supply)</b>	<b>3,899 1,778 5,677</b> to MP2
20		
21	<b>Dedicated Street Lighting Circuit Length</b>	41 166 207
22		
23	<b>Overhead Circuit Length by Terrain (at year end)</b>	(km) (%)
24	Urban (only)	1,456 37%
25	Rural (only)	2,341 60%
26	Remote (only)	- 0%
27	Rugged (only)	- 0%
28	Rural & rugged (only)	102 3%
29	Remote & rugged (only)	- 0%
30	Unallocated overhead lines	- 0%
31	<b>Total overhead length</b>	<b>3,899 100%</b>
32		
33		
34	<b>Transformer capacity (at year end)</b>	
35	Distribution Transformer Capacity (EDB Owned)	817 MVA Previous Year 815
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	62 MVA 62
37	<b>Total Distribution Transformer Capacity</b>	<b>880 MVA (to MP2) 877</b>
38		
39	Zone Substation Transformer Capacity	864 MVA 856
40		
41	<b>System Fixed Assets age (at year end)</b>	
42	Average Age of System Fixed Assets	27 Years
43	Average Expected Total Life of System Fixed Assets	51 Years
44	Average Age as a Proportion of Average Expected Total Life	54% %
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	24% %
47		
48		
49		
50	<b>Electricity demand</b>	Maximum coincident system demand (MW) Non-coincident Sum of maximum demands (MW)
51		
52		
53	<b>GXP Demand</b>	236 269
54	plus Embedded Generation Output at HV and Above	54
55	<b>Maximum System Demand</b>	290
56	less Net Transfers to (from) Other EDBs at HV and Above	(0)
57	<b>Demand on system for supply to customers' Connection Points</b>	290
58	less Subtransmission Customers' Connection Point Demand	-
59	<b>Maximum Distribution Transformer Demand</b>	290 to MP2
60		
61	GXP Demand not Supplied at Subtransmission Level	-
62	Embedded Generation Output - Connected to Subtransmission System	54 83
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-
64		
65	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	38
66		
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	1.2% % p.a.
68		
69	<b>Electricity volumes carried</b>	(GWh)
70	Electricity Supplied from GXPs	1,069
71	less Electricity Exports to GXPs	55
72	plus Electricity Supplied from Embedded Generators	323
73	less Net Electricity Supplied to (from) Other EDBs	(0)
74	<b>Electricity entering system for supply to customers' Connection Points</b>	1,338
75	less Electricity Supplied to Customers' Connection Points	1,252 to MP2
76	<b>Electricity Losses (loss ratio)</b>	86 6.4% %
77		
78	Electricity Supplied to Customers' Connection Points	1,252
79	less Electricity Supplied to Largest 5 Connection Points	54
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	1,198 96% %
81		
82	<b>Load Factor</b>	53% %
83		
84	<b>Number of Connection Points (at year end)</b>	82,908 ICPs to MP2
85		
86	<b>Intensity of service requirements</b>	
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	51 kW/km
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	221 MWh/km
89	Connection Point Density (ICPs / Total circuit length)	15 ICP/km
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	15,101 kWh/ICP

# Information Disclosure by Aurora Energy Ltd for the Year Ended 31 March 2012

## REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Aurora Energy Limited
6	For Year Ended:	2012
7	Network Name:	Dunedin
8	Disclosure:	Annual Disclosure - Requirement 6(1)
9		
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>	
11		Overhead (km) Underground (km) Total (km)
12	> 66kV	- - -
13	50kV & 66kV	- - -
14	33kV	144 78 222
15	SWER (all SWER voltages)	9 - 9
16	22kV (other than SWER)	- - -
17	6.6kV to 11kV (inclusive - other than SWER)	733 304 1,037
18	Low Voltage (< 1kV)	823 225 1,048
19	<b>Total circuit length (for Supply)</b>	<b>1,709 607 2,316</b>
20		
21	<b>Dedicated Street Lighting Circuit Length</b>	<b>38 97 135</b>
22		
23	<b>Overhead Circuit Length by Terrain (at year end)</b>	
24		(km) (%)
25	Urban (only)	1,176 69%
26	Rural (only)	520 30%
27	Remote (only)	- 0%
28	Rugged (only)	- 0%
29	Rural & rugged (only)	13 1%
30	Remote & rugged (only)	- 0%
31	Unallocated overhead lines	- 0%
32	<b>Total overhead length</b>	<b>1,709 100%</b>
33		
34	<b>Transformer capacity (at year end)</b>	
35	Distribution Transformer Capacity (EDB Owned)	473 MVA
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	45 MVA
37	<b>Total Distribution Transformer Capacity</b>	<b>518 MVA (to MP2)</b>
38		
39	Zone Substation Transformer Capacity	577 MVA
40		
41	<b>System Fixed Assets age (at year end)</b>	
42	Average Age of System Fixed Assets	36 Years
43	Average Expected Total Life of System Fixed Assets	53 Years
44	Average Age as a Proportion of Average Expected Total Life	69% %
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	37% %
47		
48		
49		
50		
51	<b>Electricity demand</b>	
52		Maximum coincident system demand (MW) Non-coincident Sum of maximum demands (MW)
53	<b>GXP Demand</b>	<b>168 188</b>
54	plus Embedded Generation Output at HV and Above	31
55	<b>Maximum System Demand</b>	<b>199</b>
56	less Net Transfers to (from) Other EDBs at HV and Above	-
57	<b>Demand on system for supply to customers' Connection Points</b>	<b>199</b>
58	less Subtransmission Customers' Connection Point Demand	-
59	<b>Maximum Distribution Transformer Demand</b>	<b>199</b>
60		
61	GXP Demand not Supplied at Subtransmission Level	-
62	Embedded Generation Output - Connected to Subtransmission System	31
63	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-
64		
65	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	<b>32</b>
66		
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	<b>0.6 % p.a.</b>
68		
69	<b>Electricity volumes carried</b>	
70		(GWh)
71	Electricity Supplied from GXPs	755
72	less Electricity Exports to GXPs	2
73	plus Electricity Supplied from Embedded Generators	150
74	less Net Electricity Supplied to (from) Other EDBs	-
75	<b>Electricity entering system for supply to customers' Connection Points</b>	<b>904</b>
76	less Electricity Supplied to Customers' Connection Points	849
77	<b>Electricity Losses (loss ratio)</b>	<b>55 6.0% %</b>
78		
79	Electricity Supplied to Customers' Connection Points	849
80	less Electricity Supplied to Largest 5 Connection Points	54
81	<b>Electricity supplied other than to Largest 5 Connection Points</b>	<b>795 94% %</b>
82		
83	<b>Load Factor</b>	<b>52% %</b>
84		
85	<b>Number of Connection Points (at year end)</b>	<b>53,777 ICPs</b>
86		
87	<b>Intensity of service requirements</b>	
88	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	86 kW/km
89	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	367 MWh/km
90	Connection Point Density (ICPs / Total circuit length)	23 ICP/km
91	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	15,787 kWh/ICP

# Information Disclosure by Aurora Energy Ltd for the Year Ended 31 March 2012

## REPORT MP1: NETWORK INFORMATION

(Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Aurora Energy Limited
6	For Year Ended:	2012
7	Network Name:	Central
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>	
11		Overhead (km) Underground (km) Total (km)
12	> 66kV	- - -
13	50kV & 66kV	108 1 109
14	33kV	261 15 276
15	SWER (all SWER voltages)	- - -
16	22kV (other than SWER)	- - -
17	6.6kV to 11kV (inclusive - other than SWER)	1,596 566 2,162
18	Low Voltage (< 1kV)	226 583 809
19	<b>Total circuit length (for Supply)</b>	<b>2,191 1,165 3,356</b>
20		to MP2
21	<b>Dedicated Street Lighting Circuit Length</b>	3 69 72
22	<b>Overhead Circuit Length by Terrain (at year end)</b>	
23		(km) (%)
24	Urban (only)	280 13%
25	Rural (only)	1,821 83%
26	Remote (only)	- 0%
27	Rugged (only)	- 0%
28	Rural & rugged (only)	90 4%
29	Remote & rugged (only)	- 0%
30	Unallocated overhead lines	- 0%
31	<b>Total overhead length</b>	<b>2,191 100%</b>
32		-
33	<b>Transformer capacity (at year end)</b>	
34		Previous Year
35	Distribution Transformer Capacity (EDB Owned)	343 MVA 339
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	18 MVA 18
37	<b>Total Distribution Transformer Capacity</b>	360 MVA (to MP2) 357
38		
39	Zone Substation Transformer Capacity	287 MVA 264
40		
41	<b>System Fixed Assets age (at year end)</b>	
42	Average Age of System Fixed Assets	19 Years
43	Average Expected Total Life of System Fixed Assets	49 Years
44	Average Age as a Proportion of Average Expected Total Life	40% %
45		
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	13% %
47		
48	<b>Electricity demand</b>	
49		Maximum coincident system demand (MW) Non-coincident Sum of maximum demands (MW)
50		
51	<b>GXP Demand</b>	70 82
52	plus Embedded Generation Output at HV and Above	24
53	<b>Maximum System Demand</b>	94
54	less Net Transfers to (from) Other EDBs at HV and Above	-
55	<b>Demand on system for supply to customers' Connection Points</b>	94
56	less Subtransmission Customers' Connection Point Demand	-
57	<b>Maximum Distribution Transformer Demand</b>	94
58		to MP2
59		
60	GXP Demand not Supplied at Subtransmission Level	-
61	Embedded Generation Output - Connected to Subtransmission System	24
62	Net Transfers to (from) Other EDBs at Subtransmission Level Only	-
63		
64	<b>Estimated Controlled Load Shed at Time of Maximum System Demand (MW)</b>	6
65		
66	<b>Five-Year System Maximum Demand Growth Forecast</b>	2.6 % p.a.
67		
68	<b>Electricity volumes carried</b>	
69		(GWh)
70	Electricity Supplied from GXPs	314
71	less Electricity Exports to GXPs	53
72	plus Electricity Supplied from Embedded Generators	173
73	less Net Electricity Supplied to (from) Other EDBs	-
74	<b>Electricity entering system for supply to customers' Connection Points</b>	434
75	less Electricity Supplied to Customers' Connection Points	403
76	<b>Electricity Losses (loss ratio)</b>	31 7.2% %
77		to MP2
78	Electricity Supplied to Customers' Connection Points	403
79	less Electricity Supplied to Largest 5 Connection Points	13
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	389 97% %
81		
82	<b>Load Factor</b>	52% %
83		
84	<b>Number of Connection Points (at year end)</b>	29,050 ICPs
85		to MP2
86	<b>Intensity of service requirements</b>	
87	Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	28 kW/km
88	Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	120 MWh/km
89	Connection Point Density (ICPs / Total circuit length)	9 ICP/km
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	13,856 kWh/ICP

## F DISCLOSURE RELATING TO FINANCIAL AND EFFICIENCY PERFORMANCE MEASURES (REQUIREMENT 6(1)(a) – TOTAL BUSINESS)

### REPORT MP2: PERFORMANCE MEASURES

ref	Electricity Distribution Business:			Aurora Energy Limited			
5	For Year Ended:			2012			
6	Performance comparators						
7	Previous Years:			Current Financial Year			
8		Current Yr - 3	Current Yr - 2	Current Yr - 1			
9	Operational expenditure ratio						
10	Total Operational Expenditure	20	20	19	20 \$m from FS1		
11	Replacement Cost of System Fixed Assets (at year end*)	555	585	628	653 \$m from AV3		
12	Ratio (%)	3.57%	3.42%	3.03%	3.07% %		
13	Capital expenditure ratio						
15	Total Capital Expenditure on System Fixed Assets	19	22	22	17 \$m from FS2		
16	Replacement Cost of System Fixed Assets (at year end*)	555	585	628	653 \$m from AV3		
17	Ratio (%)	3.34%	3.71%	3.55%	2.53% %		
18	Capital expenditure growth ratio						
20	Capital Expenditure: Customer Connection and System Growth		17	12	9 \$m from FS2		
21	Change in Total Distribution Transformer Capacity	21	8	9	3 MVA from MP1		
22	\$/kVA	-	2,211	1,300	3,435 \$/kVA		
23	Renewal expenditure ratio						
25	Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal		4	8	7 \$m from FS1 & 2		
26	Regulatory Depreciation of System Fixed Assets	8	8	9	10 \$m from AV1		
27	Ratio (%)	0%	43%	95%	67% %		
28	Distribution Transformer Capacity Utilisation						
30	Maximum Distribution Transformer Demand	275	284	274	290 MW from MP1		
31	Total Distribution Transformer Capacity (at year end*)	860	868	877	880 kVA from MP1		
32	Ratio (%)	31.9%	32.8%	31.2%	32.9% %		
33	Return on Investment						
35	Regulatory Profit / Loss (pre-financing and distributions)	34	31	40	30 \$m from FS1		
36	less Interest Tax Shield Adjustment	3	2	2	2 \$m from FS3		
37	Adjusted Regulatory Profit	32	29	37	28 \$m		
38	Regulatory Investment Value	275	295	314	339 \$m from FS2		
39	Ratio (%)	11.49%	9.70%	11.93%	8.26% %		
40	* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.						
41	Expenditure comparison table						
42	Expenditure metrics (\$ per):						
43		Total circuit length (for Supply)	Electricity Supplied to Customers' Connection Points	Maximum coincident system demand	Connection Point	Distribution Transformer Capacity (EDB-Owned)	
44		(\$/km)	(\$/MWh)	(\$/MW)	(\$/ICP)	(\$/MVA)	
45	Capital Expenditure (\$) per	2,909	13	57,008	199	20,206	from FS2 & MP1
46	Operational Expenditure (\$) per	3,528	16	69,132	242	24,503	from FS1 & MP1
47							
48							
49							

# G DISCLOSURE RELATING TO FINANCIAL AND EFFICIENCY PERFORMANCE MEASURES (REQUIREMENT 6(1) - TOTAL BUSINESS, DUNEDIN AND CENTRAL NETWORKS)

## REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

ref	Electricity Distribution Business:	Aurora Energy Limited
6	For Year Ended:	2012
7	Network Name:	Total Business
9	Disclosure:	Annual Disclosure - Requirement 6(1)
10	<b>QUALITY</b>	
11	<b>Interruptions</b>	
12	<b>Interruptions by class</b>	
13	Class A	planned interruptions by Transpower
14	Class B	272 planned interruptions on the network
15	Class C	484 unplanned interruptions on the network
16	Class D	13 unplanned interruptions by Transpower
17	Class E	unplanned interruptions of network owned generation
18	Class F	unplanned interruptions of generation (non-network)
19	Class G	unplanned interruptions caused by other electricity industry participant
20	Class H	planned interruptions caused by other electricity industry participant
21	Total	769 Total of above
22	<b>Interruption targets for Forecast Year</b>	
23	Class B	2013 365 Current Financial Year +1
24	Class C	465 unplanned interruptions on the network
25	<b>Average interruption targets for 5 Forecast Years</b>	
26	Class B	2013-2017 330 Current Financial Year +1 to +5
27	Class C	460 unplanned interruptions on the network
28	<b>Class C interruptions restored within</b>	
29	≤3Hrs	>3hrs
30	351	133
31	<b>Faults</b>	
32	<b>Faults per 100 circuit kilometres</b>	
33	The total number of faults for Current Financial Year	11.20 in year 2012
34	The total number of faults forecast for the Forecast Year	10.50 in year 2013
35	The average annual number of faults forecast for the 5 Forecast Years	10.40 average over years 2013-2017
36	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>	
37	6.6kV & 11kV non-SWER	22kV non-SWER
38	SWER	SWER
39	33kV	50kV & 66kV
40	>66kV	
41	Is this voltage part of the EDB system?	Yes No
42	Current Financial Year	11.72 56.82 8.40 5.50
43	Forecast Year	11.40 9.90 6.50 5.70
44	Average annual for 5 Forecast Years	11.20 9.70 6.00 5.50
45	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>	
46	6.6kV & 11kV non-SWER	22kV non-SWER
47	SWER	SWER
48	33kV	50kV & 66kV
49	>66kV	
50	Underground	2.35 N/A - -
51	Overhead	15.13 56.82 10.40 5.50
52	<b>Reliability</b>	
53	<b>Overall reliability</b>	
54	Based on the total number of interruptions	SAIDI 148.95 SAIFI 2.07 CAIDI 72.00
55	<b>Reliability by interruption class</b>	
56	Class B	SAIDI 13.46 SAIFI 0.09 CAIDI 148.60
57	Class C	130.01 1.67 77.90
58	<b>Targets for Forecast Year</b>	
59	Class B	SAIDI 14.00 SAIFI 0.12 CAIDI 120.00
60	Class C	70.00 1.27 55.00
61	<b>Average targets for 5 Forecast Years</b>	
62	Class B	SAIDI 13.60 SAIFI 0.11 CAIDI 120.00
63	Class C	68.40 1.24 55.00
64	<b>PRICES</b>	
65	<b>Price information by Connection Point Class</b>	
66	<b>Connection Point Class</b>	
67	Small Connection Points	Medium Connection Points
68	Large Connection Points	Largest 5 Connection Points
69	Total	
70	Gross line charge income (\$000)	48,025 9,892 17,386 1,200 76,503 from FS1
71	Electricity Supplied to Customers' Connection Points (MWh)	640,681 204,073 353,167 54,062 1,251,983 from MP1
72	Number of Connection Points (ICPs) at year end	76,686 5,105 1,112 5 82,908 from MP1
73	Unit Price (cents/kWh)	7.5 4.8 4.9 2.2 6.1
74	Relative Unit Price Index	1.00 0.65 0.66 0.30 0.82

## REPORT MP3: PRICE AND QUALITY (cont)

### Notes to Price and Quality Measures

#### MP3a: Connection Point Class breakpoints

##### Connection Point Class breakpoints methodology

kVA based breakpoints

##### kVA based breakpoints - additional disclosure

Breakpoint between small and medium classes

16 kVA

Breakpoint between large and medium classes

70 kVA

# REPORT MP3: PRICE & QUALITY MEASURES

(Separate report required for each Non-contiguous Network)

ref

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Electricity Distribution Business:

Aurora Energy Limited

For Year Ended:2012

Network Name: 

Dunedin

Disclosure: 

Annual Disclosure - Requirement 6(1)

QUALITY

Interruptions

Interruptions by class

Class A

Class B

Class C

Class D

Class E

Class F

Class G

Class H

Total

32

164

196

planned interruptions by Transpower:

planned interruptions on the network

unplanned interruptions on the network

unplanned interruptions by Transpower

unplanned interruptions of network owned generation

unplanned interruptions of generation (non-network)

unplanned interruptions caused by other electricity industry participant

planned interruptions caused by other electricity industry participant

Total of above

Interruption targets for Forecast Year

2013

Current Financial Year +1

Class B

Class C

30

145

planned interruptions on the network

unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

2013-2017

Current Financial Year +1 to +5

Class B

Class C

30

145

planned interruptions on the network

unplanned interruptions on the network

Class C interruptions restored within

≤3Hrs

>3hrs

111

53

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year

The total number of faults forecast for the Forecast Year

The average annual number of faults forecast for the 5 Forecast Years

10.30

9.10

9.00

in year

in year

average over years

2012

2013

2013-2017

Fault Information per 100 circuit kilometres by Voltage and Type

6.6kV & 11kV non-SWER

22kV non-SWER

SWER

33kV

50kV & 66kV

>66kV

Is this voltage part of the EDB system?

Current Financial Year

Forecast Year

Average annual for 5 Forecast Years

Yes

No

Yes

Yes

No

No

9.45

56.82

12.20

9.60

9.90

6.30

9.50

9.70

6.00

Fault Information per 100 circuit kilometres by Voltage and Type

6.6kV & 11kV non-SWER

22kV non-SWER

SWER

33kV

50kV & 66kV

>66kV

Underground

Overhead

1.65

-

-

12.66

56.82

18.80

Reliability

Overall reliability

Based on the total number of interruptions

SAIDI

SAIFI

CAIDI

68.93

1.08

63.80

Reliability by interruption class

Class B

Class C

SAIDI

SAIFI

CAIDI

1.63

0.01

113.00

67.30

1.07

63.10

Targets for Forecast Year

Class B

Class C

SAIDI

SAIFI

CAIDI

4.00

0.05

75.00

37.00

0.69

54.00

Average targets for 5 Forecast Years

Class B

Class C

SAIDI

SAIFI

CAIDI

4.00

0.05

75.00

37.00

0.69

54.00

PRICES

Price information by Connection Point Class

Connection Point Class

Small Connection Points

Medium Connection Points

Large Connection Points

Largest 5 Connection Points

Total

Gross line charge income (\$000)

Electricity Supplied to Customers' Connection Points (MWh)

Number of Connection Points (ICPs) at year end

Unit Price (cents/kWh)

Relative Unit Price Index

27,051

455,492

50,516

5.9

1.00

4,539

123,305

2,657

3.7

0.62

9,109

216,136

599

4.2

0.71

1,200

54,062

5

2.2

0.37

41,898

848,995

53,777

4.9

0.83

Error (FS1)

Error (MP1)

Error (MP1)

## REPORT MP3: PRICE AND QUALITY (cont)

### Notes to Price and Quality Measures

#### MP3a: Connection Point Class breakpoints

Connection Point Class breakpoints methodology kVA based breakpoints

#### kVA based breakpoints - additional disclosure

Breakpoint between small and medium classes 16 kVA

Breakpoint between large and medium classes 70 kVA

# Information Disclosure by Aurora Energy Ltd for the Year Ended 31 March 2012

ref

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Electricity Distribution Business:

Aurora Energy Limited

For Year Ended:

2012

Network Name:

Central

Disclosure:

Annual Disclosure - Requirement 6(1)

QUALITY

Interruptions

Interruptions by class

Class A		planned interruptions by Transpower:
Class B	240	planned interruptions on the network
Class C	320	unplanned interruptions on the network
Class D	13	unplanned interruptions by Transpower
Class E		unplanned interruptions of network owned generation
Class F		unplanned interruptions of generation (non-network)
Class G		unplanned interruptions caused by other electricity industry participant
Class H		planned interruptions caused by other electricity industry participant
Total	573	Total of above

Interruption targets for Forecast Year

Class B	2013	Current Financial Year +1
Class C	335	planned interruptions on the network
	320	unplanned interruptions on the network

Average interruption targets for 5 Forecast Years

Class B	2013-2017	Current Financial Year +1 to +5
Class C	300	planned interruptions on the network
	315	unplanned interruptions on the network

Class C interruptions restored within

≤3Hrs	>3hrs
240	80

Faults

Faults per 100 circuit kilometres

The total number of faults for Current Financial Year	11.60	in year	2012
The total number of faults forecast for the Forecast Year	11.40	in year	2013
The average annual number of faults forecast for the 5 Forecast Years	11.30	average over years	2013-2017

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWGR	22kV non-SWGR	SWGR	33kV	50kV & 66kV	>66kV
Is this voltage part of the EDB system?	Yes	No	No	Yes	Yes	No
Current Financial Year	12.77			5.10	5.50	
Forecast Year	12.30			6.00	5.70	
Average annual for 5 Forecast Years	12.20			6.00	5.50	

Fault Information per 100 circuit kilometres by Voltage and Type

	6.6kV & 11kV non-SWGR	22kV non-SWGR	SWGR	33kV	50kV & 66kV	>66kV
Underground	2.69			-	-	
Overhead	16.29			5.40	5.50	

Reliability

Overall reliability

Based on the total number of interruptions	SAIDI	SAIFI	CAIDI
	297.81	3.90	76.30

Reliability by interruption class

Class B	SAIDI	SAIFI	CAIDI
Class C	35.46	0.23	152.80
	246.68	2.79	88.40

Targets for Forecast Year

Class B	SAIDI	SAIFI	CAIDI
Class C	31.81	0.23	140.00
	128.86	2.34	55.00

Average targets for 5 Forecast Years

Class B	SAIDI	SAIFI	CAIDI
Class C	30.01	0.21	140.00
	122.17	2.22	55.00

PRICES

Price information by Connection Point Class

	Connection Point Class				
	Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	Total
Gross line charge income (\$000)	20,926	5,353	7,677	597	34,553
Electricity Supplied to Customers' Connection Points (MWh)	184,757	80,739	123,799	13,231	402,527
Number of Connection Points (ICPs) at year end	26,091	2,447	507	5	29,050
Unit Price (cents/kWh)	11.3	6.6	6.2	4.5	8.6
Relative Unit Price Index	1.00	0.59	0.55	0.40	0.76

Error (FS1)

Error (MP1)

Error (MP1)

## REPORT MP3: PRICE AND QUALITY (cont)

### Notes to Price and Quality Measures

#### MP3a: Connection Point Class breakpoints

Connection Point Class breakpoints methodology

kVA based breakpoints

kVA based breakpoints - additional disclosure

Breakpoint between small and medium classes

16 kVA

Breakpoint between large and medium classes

70 kVA

## H DISCLOSURE RELATING TO ASSET MANAGEMENT PLANS (REQUIREMENT 7(5))

### REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

ref			Electricity Distribution Business: Aurora Energy					
5			For Year Ended 2012					
6	A) Five year forecasts of expenditure		(\$000)					
7	From most recent Asset Management Plan							
8			Forecast Years					
9			Actual for Financial Year	year 1	year 2	year 3	year 4	year 5
10	Capital Expenditure: Customer Connection	for year ended	2012	2013	2014	2015	2016	2017
11	Capital Expenditure: System Growth		3,517	6,050	6,400	6,800	7,200	7,600
12	Capital Expenditure: Reliability, Safety and Environment		5,396	9,597	5,370	5,300	7,770	6,330
13	Capital Expenditure: Asset Replacement and Renewal		1,834	3,478	2,530	1,746	1,904	1,660
14	Capital Expenditure: Asset Relocations		4,979	8,369	7,679	10,980	4,700	3,200
15	Subtotal - Capital Expenditure on asset management		788	400	500	600	500	500
16			16,514	27,894	22,479	25,426	22,074	19,290
17	Operational Expenditure: Routine and Preventative Maintenance		3,236	3,640	3,740	3,850	3,950	4,060
18	Operational Expenditure: Refurbishment and Renewal Maintenance		1,521	1,340	1,370	1,390	1,430	1,460
19	Operational Expenditure: Fault and Emergency Maintenance		4,536	4,370	4,470	4,570	4,670	4,780
20	Subtotal - Operational Expenditure on asset management		9,293	9,350	9,580	9,810	10,050	10,300
21								
22	Total direct expenditure on distribution network		25,807	37,244	32,059	35,236	32,124	29,590
23								
24	Overhead to Underground Conversion Expenditure		2,852	1,015	1,030	1,045	1,060	1,075
26	The Electricity Distribution Business is to provide the amount of Overhead to Underground Conversion Expenditure included in each of the above Expenditure Categories (explanatory notes can be provided in a separate note if necessary).		\$2,258 million of underground conversion expenditure is included in the above category - Capital Expenditure: Asset Replacement and Renewal. A further \$0.594 million is included in the category - Operational Expenditure: Refurbishment and Renewal Maintenance.					
27								
28								
30								
32	B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure		Actual for Current Financial Year (a)	Previous forecast for Current Financial Year (b)	% Variance (a)/(b)-1			
33								
34	Capital Expenditure: Customer Connection		3,517	5,600	-37.2%			
35	Capital Expenditure: System Growth		5,396	7,090	-23.9%			
36	Capital Expenditure: Reliability, Safety and Environment		1,834	2,020	-9.2%			
37	Capital Expenditure: Asset Replacement and Renewal		4,979	8,490	-41.4%			
38	Capital Expenditure: Asset Relocations		788	400	97.0%			
39	Subtotal - Capital Expenditure on asset management		16,514	23,600	-30.0%			
40								
41	Operational Expenditure: Routine and Preventative Maintenance		3,236	3,540	-8.6%			
42	Operational Expenditure: Refurbishment and Renewal Maintenance		1,521	1,310	16.1%			
43	Operational Expenditure: Fault and Emergency Maintenance		4,536	4,270	6.2%			
44	Subtotal - Operational Expenditure on asset management		9,293	9,120	1.9%			
45								
46	Total direct expenditure on distribution network		25,807	32,720	-21.1%			
47								
48								
49	Explanation of variances							
50	Distribution Business must provide a brief explanation for any line item variance of more than 10%							
51								
52	Explanatory notes (can be provided in a separate note if necessary):		Capital Expenditure: Customer Connection - The effects of the global financial crisis continues to suppress consumer initiated development work. Capital Expenditure: System Growth - Wanaka HV interties delayed. Capital Expenditure: Asset Replacement and Renewal - Roxburgh substation upgrade deferred until 2012/13. Now total substation renewal. Capital Expenditure: Asset Relocations - Greater than expected level of requests to move works by LTAs and third parties. Operational Expenditure: Refurbishment and Renewal Maintenance - Increased costs associated with large Wanaka undergrounding project.					
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<b>I    CERTIFICATION BY AUDITOR (REQUIREMENT 10)</b>
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**Independent Auditor's Report****To the Directors of Aurora Energy Limited and to the Commerce Commission  
for the Assessment Period ended 31 March 2012**

The Auditor-General is the auditor of Aurora Energy Limited (the company). The Auditor-General has appointed me, Ian Lothian, using the staff and resources of Audit New Zealand, to provide an opinion, on her behalf, on the company's report for the financial year ended 31 March 2012 on pages 3 to 21 regarding compliance with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements). In this independent assurance report we refer to the company's report as the "disclosure information". The disclosure information comprises both historical and prospective financial and non-financial information.

**Respective responsibilities**

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

Clause 10 of the Requirements requires the Auditor-General to provide an opinion on whether the disclosure information prepared by the company complies with, and is presented in all material respects in accordance with, the Requirements.

**Limitations and use of this independent assurance report**

This independent auditor's report has been prepared solely for the Directors of Aurora Energy Limited and the Commissioners of the New Zealand Commerce Commission in accordance with the Requirements. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the Directors of Aurora Energy Limited 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 financial year and the procedures performed in respect of the company's compliance with the Requirements are undertaken on a test basis, our engagement cannot be relied on to detect all instances where the company may not have complied with the Requirements. Our opinion has been formed on the above basis.

**Basis of opinion**

The company's financial statements and annual compliance statements prepared pursuant to the Commerce Act (Electricity Distribution Default Price-Quality Path) Determination 2010 for the year ended 31 March 2012 have been subject to audit. The audit opinion on the financial statements of the company for the year ended 30 June 2012 was unmodified and issued on 26 September 2012. However, our audit opinion on the default price-quality path compliance statement of the company for the year ended 31 March 2012 was modified as records for service interruptions between 1 April and 14 August 2011 are not available and the company has been unable to provide us with information to support the underlying calculations of the 2012 SAIDI and SAIFI statistics. Our opinion on the annual compliance statement was issued on 1 August 2012.

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

A matter is material if it would affect a user's overall understanding of the disclosure information prepared by the company.

### **Historical financial and non-financial information**

Our work on the historical financial and non-financial information has been carried out in accordance with the Standard on Assurance Engagements (New Zealand) 3100: Compliance Engagements issued by the New Zealand Institute of Chartered Accountants.

Our work in respect of amounts and disclosures that were audited under the financial statement and default price-quality path compliance statements audits has been limited to agreeing the amounts and disclosures to the underlying records and audited financial statements or default price-quality path compliance statements of the company.

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

### **Prospective financial and non-financial information**

Our work on the prospective financial and non-financial information has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2012 and the immediately preceding financial year, and that the information has been calculated based on source data provided by the company. We have not performed audit procedures on the source data.

We acknowledge that it is likely that actual results will vary from those forecasted, since anticipated events frequently do not occur as expected (and those variations may be significant).

### **Independence**

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

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

### **Opinion on disclosure information, other than reliability information**

We have obtained all the information and explanations we have required in respect of the disclosure information, other than reliability information.

In our opinion:

- the company has kept proper records to enable the complete and accurate compilation of required information, in all material respects, as far as appears from our examination of those records, with the exception of the reliability information; and
- the disclosure information, other than the reliability information, prepared by the company for the financial year ended 31 March 2012 complies with the Requirements in all material respects.

### **Historical Financial and Non-Financial Information other than the reliability information**

In our opinion, the company has:

- presented the historical financial information in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2, MP3 and AM1 for the financial year ended 31 March 2012 in all material respects in compliance with the Requirements, and
- compiled the historical non-financial information, other than the reliability information, included in reports MP1, MP2 and MP3 in accordance with the guidance (if any) issued pursuant to the Requirements, and has calculated the historical non-financial information based on un-audited source data provided by the company.

### **Prospective Financial and Non-Financial Information**

In our opinion, the company has:

- presented the prospective financial and non-financial information in reports AM1 and MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2012 and the immediately preceding financial year; and
- calculated the prospective financial and non-financial information based on un-audited source data provided by the company.

### **Disclaimer of Opinion on the 2012 Reliability Information**

Reason for our disclaimer of opinion

- SCADA data recording service interruptions between 1 April and 14 August 2011 are not available and the company has been unable to provide us with information to support the underlying calculations of the 2012 SAIDI, SAIFI, and CAIDI statistics in the MP3 report.

In respect of the reliability information only:

- We have been unable to obtain all the information and explanations we have required.
- In our opinion, the company has not kept proper records to enable the complete and accurate compilation of required information, in all material respects.

Disclaimer of opinion

- Because of the significance of the matter described in the “Reason for our disclaimer of opinion” paragraph above, we are unable to form an opinion on whether the SAIDI, SAIFI, and CAIDI information for 2012 in report MP3 of the disclosure information complies with the Requirements, or has been compiled in accordance with the guidance issued pursuant to the Requirements or calculated based on un-audited source data provided by the company.

A handwritten signature in black ink, reading "Ian Lothian". The signature is written in a cursive, flowing style.

Ian Lothian  
Audit New Zealand  
On behalf of the Auditor-General  
Christchurch, New Zealand  
12 December 2012