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DS5002

Centralines'

Default Price Quality Path

Annual Compliance Statement

For the assessment period ending 31 March 2015

Pursuant to

Electricity Distribution Services Default Price-Quality Path Determination 2012

Data Classification: Public

Published Date: 10/06/2015

DS5002 Centralines' Default Price Quality-Path Annual Compliance Statement 2014-2015

Overview

Document status
Draft **In Service** Under Review Archived
Document purpose

Regulatory disclosure demonstrating Centralines' compliance with the Default Price-Quality Path for the 2014-15 disclosure year.

Intended audience

Publically disclosed.

Document contributors

Contributors	Name and Position Title	Approval Date
Creator	Grant Sargison Pricing Analyst	12/05/2015
Authoriser	Nathan Strong General Manager – Business Assurance	18/05/2015
Approver	Nathan Strong General Manager – Business Assurance	18/05/2015

Disclaimer

The information presented in this Annual Compliance Statement has been prepared solely for the purpose of complying with the requirements of the Electricity Distribution Services Default Price-Quality Path Determination 2012. This statement has not been prepared for any other purpose and Centralines Limited expressly disclaims any liability to any other party who may rely on this statement for any other purpose.

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Overview, Continued

Certification of Annual Compliance Statement



DIRECTORS' CERTIFICATE ON ANNUAL COMPLIANCE STATEMENT

We, Samuel Amuri Robinson and Jon Edmond Nichols, being directors of Centralines Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached Annual Compliance Statement of Centralines Limited, and related information, prepared for the purposes of the *Electricity Distribution Services Default Price Quality Path Determination 2012* are true and accurate.



Director

Date: 29th May 2015



Director

Date: 29th May 2015

Continued on next page

Overview, Continued

Key dates **Published Date** 10/06/2015

Related references **Legislation**
Electricity Distribution Services Default Price-Quality Path Determination 2012

Clarification Clarification of any matter referred to in this document should be directed to:

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1. Compliance with the Price Path

1.1 Compliance with the price path

Clause 11.2 (a)

Centralines complies with the price path in clause 8 at the assessment date, 31 March 2015, as specified in the Electricity Distribution Services Default Price-Quality Path Determination 2012.

Clause 11.3 (f) and (j)

Centralines confirms that the following clauses of the Electricity Distribution Services Default Price-Quality Path Determination 2012 did not apply during the assessment period:

- 8.5 – Restructuring of prices during an assessment period
- 8.6 – Alternative compliance following restructuring of prices
- 10.1 – Transactions resulting in an amalgamation or merger
- 10.2 – Transactions resulting in consumers being supplied by a different EDB
- 10.3 – Alternative compliance provisions following a transaction
- 10.4 – Requirement to notify the Commission of large transactions

1.2 Allowable notional revenue (clause 8.4)

The notional revenue (NR_t) of a non-exempt EDB at any time during the assessment period must not exceed the allowable notional revenue (R_t) for the assessment period.

Compliance is demonstrated in the following tables. The first table demonstrates that notional revenue derived, using posted price at the end of the assessment period, is less than the allowable notional revenue. The second table demonstrates that the maximum notional revenue during the assessment period does not exceed the allowable notional revenue, illustrating that at no time during the assessment period is the price path breached.

Test:	$\frac{NR_{2015}}{R_{2015}} \leq 1$
NR ₂₀₁₅ :	\$ 9,510,788
R ₂₀₁₅ :	\$ 9,932,102
Result:	0.9576 < 1
Result:	Price Path has not been breached

Continued on next page

Compliance with the Price Path, Continued

1.2 Allowable notional revenue (clause 8.4) (cont)

Test:	$\frac{NR_{Max}}{R_{2015}} \leq 1$
NR _{Max} :	\$ 9,510,788
R ₂₀₁₅ :	\$ 9,932,102
Result:	0.9576 < 1
Result:	Price Path has not been breached

Supporting evidence is provided in *Appendices B, C and D*.

2. Assessment with the Quality Standards

2.1 Compliance with quality standards (clause 11.2 (a))

Centralines complies with all requirements of the quality standards in clause 9 at the assessment date 31 March 2015, as specified in the Electricity Distribution Services Default Price-Quality Path Determination 2012.

2.2 Reliability assessment (9.1(a))

Clause 9.1(a) requires compliance with Clause 9.2: A non-exempt EDB's assessed values for an assessment period must not exceed its reliability limits for that assessment period.

Compliance is demonstrated in the following tables. The first table demonstrates compliance with the SAIDI limit and the second table demonstrates compliance with the SAIFI limit.

Test:	$\frac{SAIDI_{Assess\ 2015}}{SAIDI_{Limit}} \leq 1$
SAIDI _{Assess 2015}	141.37
SAIDI _{Limit}	197.55
Result:	0.72 < 1
Result:	Does not Exceed Limit

Test:	$\frac{SAIFI_{Assess\ 2015}}{SAIFI_{Limit}} \leq 1$
SAIFI _{Assess 2015}	2.401
SAIFI _{Limit}	4.254
Result:	0.56 < 1
Result:	Does not Exceed Limit

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Assessment with the Quality Standards, Continued

2.3 Prior period reliability assessment (9.1(b))

Clause 9.1(b) requires compliance with annual reliability assessments for the two immediately preceding extant assessment periods.

SAIDI _{Assess 2014}	163.01	SAIFI _{Assess 2014}	3.315
SAIDI _{Limit}	197.55	SAIFI _{Limit}	4.254
0.83	< 1	0.78	< 1
Does not Exceeds Limit		Does not Exceed Limit	

SAIDI _{Assess 2013}	123.85	SAIFI _{Assess 2013}	2.696
SAIDI _{Limit}	197.55	SAIFI _{Limit}	4.254
0.63	< 1	0.63	< 1
Does not Exceed Limit		Does not Exceed Limit	

2.4 Compliance summary

Clause 9.1 - A non-exempt EDB must, in respect of each assessment period, either:

- comply with the annual reliability assessment specified in clause 9.2, or
- have complied with those annual reliability assessments for the two immediately preceding extant assessments periods.

	SAIDI	SAIFI	Compliance
Compliance with 9.1(a)	Does not Exceed Limit	Does not Exceed Limit	<i>Complies</i>
or			
Compliance with 9.1(b)	Does not Exceed Limit	Does not Exceed Limit	<i>Complies</i>
Clause 9.1 Result:	Complies with Quality Standard		

Supporting evidence is provided in *Appendices E* and *F*.

Appendix A – Independent Auditor's Report

AUDIT NEW ZEALAND
Mana Arotake Aotearoa

Independent Auditor's Report

To the directors of Centralines Limited and to the Commerce Commission

The Auditor-General is the auditor of Centralines Limited (the company). The Auditor-General has appointed me, Julian Tan, using the staff and resources of Audit New Zealand, to provide an opinion, on her behalf, on whether the Annual Compliance Statement (the Statement) for the year ended on 31 March 2015 on pages 5 to 8 and pages 10 to 20 complies, in all material respects, with the Electricity Distribution Services Default Price-Quality Path Determination 2012 NZCC 35 (the Determination).

Directors' responsibilities for the Annual Compliance Statement

The directors of the company are responsible for the preparation of the Statement in accordance with the Determination, and for such internal control as the directors determine is necessary to enable the preparation of a Statement that is free from material misstatement.

Auditor's responsibility for the Annual Compliance Statement

Our responsibility is to express an opinion on whether the Statement has been prepared, in all material respects, in accordance with the Determination.

Basis of opinion

We conducted our engagement in accordance with the International Standard on Assurance Engagements (New Zealand) 3000: *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the External Reporting Board and the Standard on Assurance Engagements 3100: *Compliance Engagements* issued by the External Reporting Board.

These standards require that we comply with ethical requirements and plan and perform our audit to provide reasonable assurance (which is also referred to as 'audit' assurance) about whether the Statement has been prepared in all material respects in accordance with the Determination.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error or non-compliance with the Determination. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the 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 company's internal control.

In relation to the price path set out in clause 8 of the Determination, our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 5 and 6 and 10 to 16 of the Statement.

Continued on next page

Appendix A – Independent Auditor's Report, Continued

In relation to the SAIDI and SAIFI statistics for the Reference Period and the Assessment Period ended on 31 March 2015, 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 7 and 8 and 17 to 20 of the Statement.

Our audit also included assessment of the significant estimates and judgements, if any, made by the company in the preparation of the Statement.

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

Use of this report

This independent auditor's report has been prepared for the directors of the company and for the Commerce Commission for the purpose of providing those parties with independent audit assurance about whether the Statement has been prepared, in all material respects, in accordance with the Determination. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the company or the Commerce Commission, or for any other purpose than that for which it was prepared.

Scope and inherent limitations

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

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

The opinion expressed in this independent auditor's report has been formed on the above basis.

Independence

When carrying out the engagement, we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the External Reporting Board. We also complied with the independent auditor requirements specified in the Determination.

The Auditor-General, and her employees, and Audit New Zealand and its employees may deal with the company on normal terms within the ordinary course of trading activities of the company. Other than any dealings on normal terms within the ordinary course of business, in addition to this engagement, we have carried out the following engagements for the company which are compatible with those independence requirements:

- the audit of the company's annual financial statements;
- an assurance engagement with respect to the company's compliance in connection with the issuing of certificates pursuant to the Electricity Distribution (Information Disclosure) Requirements 2012 for the regulatory period ended 31 March 2014;

Appendix A – Independent Auditor's Report, Continued

- an agreed upon procedures review in connection with the Price ^{2014/2015} and Quantity ^{2013/14} disclosure schedule for the assessment period ending 31 March 2016; and
- an assurance engagement in connection with the information request prepared by the company in accordance with the Commerce Commission's requirements issued by notice in writing to the company under section 53ZD of the Commerce Act 1986 on 13 August 2014.

Other than the audit and these engagements, we have no relationship with or interests in the company or any of its subsidiaries.

Opinion

In our opinion, the Annual Compliance Statement of the company for the assessment period ended on 31 March 2015, has been prepared, in all material respects, in accordance with the Determination.

Our audit was completed on 29 May 2015 and our opinion is expressed as at that date.



Julian Tan
Audit New Zealand
On behalf of the Auditor-General
Palmerston North, New Zealand

Appendix B – Price Path Compliance Calculations (Clause 11.3(a))

Notional Revenue for the year ending March 2015		
Term	Description	Value \$
$P_{2015} * Q_{2013}$	Prices at 31 March 2015 multiplied by 31 March 2013 Base Quantities	12,405,504
V_{2015}	Transmission Charges for year ending 31 March 2015	2,799,725
	Avoided Transmission Charges for year ending 31 March 2015	-
K_{2015}	Rates for year ending 31 March 2015	39,189
	Electricity Authority Levies for year ending 31 March 2015	19,631
	Commerce Act Levies for year ending 31 March 2015 + 1/5 of Commerce Act Levies for year ending 31 March 2010	33,206
	Electricity and Gas Complaints Commissioner Levies for year ending 31 March 2015	2,965
NR_{2015}	Notional Revenue for the year ending 31 March 2015	9,510,788

Maximum Notional Revenue for the year ending March 2015		
Term	Description	Value \$
$P_{Max} * Q_{2013}$	Maximum Prices between 1 April 2014 and 31 March 2015 multiplied by 31 March 2013 Base Quantities	12,405,504
V_{2015}	Transmission Charges for year ending 31 March 2015	2,799,725
	Avoided Transmission Charges for year ending 31 March 2015	-
K_{2015}	Rates for year ending 31 March 2015	39,189
	Electricity Authority Levies for year ending 31 March 2015	19,631
	Commerce Act Levies for year ending 31 March 2015 + 1/5 of Commerce Act Levies for year ending 31 March 2010	33,206
	Electricity and Gas Complaints Commissioner Levies for year ending 31 March 2015	2,965
NR_{Max}	Notional Revenue for the year ending 31 March 2015	9,510,788

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Appendix B – Price Path Compliance Calculations (Clause 11.3(a)), Continued

Allowable Notional Revenue 2015		
Term	Description	Value \$
$P_{2014} * Q_{2013}$	Prices at 31 March 2014 multiplied by 31 March 2013 Base Quantities	11,507,974
V_{2014}	Transmission Charges for year ending 31 March 2014	2,697,371
	Avoided Transmission Charges for 2014	-
K_{2014}	Rates for year ending 31 March 2014	34,279
	Electricity Authority Levies for year ending 31 March 2014	13,158
	Commerce Act Levies for year ending 31 March 2014 + 1/5 of Commerce Act Levies for year ending 31 March 2010	30,809
	Electricity and Gas Complaints Commissioner Levies for year ending 31 March 2014	3,116
R_{2014}	Allowable notional revenue for the year ending 31 March 2014 as calculated under the 2010 DPP Determination	8,626,322
NR_{2014}	Notional revenue for the year ending 31 March 2014 as calculated under the 2010 DPP Determination	8,412,720
X	X Factor	-10%
$(1 + DCPI_{2015})$	Average change in Consumer Price Index	100.97%
R_{2015}	Allowable Notional Revenue under the CPI-X Price Path for the year ending 31 March 2015	9,932,102

ΔCPI_{2015}			
Numerator		Denominator	
$CPI_{Dec2012}$	1169	$CPI_{Dec2011}$	1158
$CPI_{Mar2013}$	1174	$CPI_{Mar2012}$	1164
$CPI_{Jun2013}$	1176	$CPI_{Jun2012}$	1168
$CPI_{Sep2013}$	1187	$CPI_{Sep2012}$	1171
Total	4706	Total	4661
ΔCPI_{2015} 0.97%			

Appendix C – Price and Quantity Schedules (Clause 11.3(a))

Tariff Code	Quantity	Weighted Average 2013-14 Price	2014-15 Price	2013-14 Revenue	2014-15 Revenue	Unit of Measure
	Q ₂₀₁₃	P ₂₀₁₄	P ₂₀₁₅	P ₂₀₁₄ * Q ₂₀₁₃	P ₂₀₁₅ * Q ₂₀₁₃	
E-C-CH10-DMND	0.00	0.0000	3.7500	4,948.26	0.00	\$/kW/mth
E-C-CH10-KVAR	0.00	0.0000	7.3650	5,457.41	0.00	\$/KVAR/mth
E-C-CH10-SOPD	0.00	0.0000	9.7500	10,264.09	0.00	\$/kW/mth
E-C-CH10-TAIC	940,564.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH11-DMND	12,261.16	0.0000	3.7500	0.00	45,979.35	\$/kW/mth
E-C-CH11-KVAR	126.41	7.2923	7.3650	921.84	931.03	\$/KVAR/mth
E-C-CH11-SOPD	11,990.48	0.0000	9.7500	0.00	116,907.18	\$/kW/mth
E-C-CH11-TAIC	5,960,039.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH1-24UC	3,173,290.00	0.1515	0.1636	480,753.44	519,150.24	\$/kWh
E-C-CH12-DMND	50,770.80	1.4691	3.7500	74,587.38	190,390.50	\$/kW/mth
E-C-CH12-KVAR	15,485.73	3.6462	7.3650	56,464.08	114,052.43	\$/KVAR/mth
E-C-CH12-SOPD	49,725.60	3.4276	9.7500	170,439.47	484,824.60	\$/kW/mth
E-C-CH12-TAIC	22,645,050.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH13-DMND	0.00	0.0000	3.7500	2,728.67	-0.00	\$/kW/mth
E-C-CH13-KVAR	0.00	0.0000	7.3650	3,144.05	-0.00	\$/KVAR/mth
E-C-CH13-SOPD	0.00	0.0000	9.7500	5,724.91	0.00	\$/kW/mth
E-C-CH13-TAIC	836,501.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH1-AICO	7,274,084.00	0.1272	0.1374	925,263.48	999,459.14	\$/kWh
E-C-CH1-CTRL	364,474.00	0.0909	0.0981	33,130.69	35,754.90	\$/kWh
E-C-CH1-CTUD	273,091.00	0.1767	0.2086	48,255.18	56,966.78	\$/kWh
E-C-CH1-CTUN	0.00	0.0000	0.0800	0.00	0.00	\$/kWh
E-C-CH1-NITE	138,362.00	0.0757	0.0800	10,474.00	11,068.96	\$/kWh
E-C-CH1-PROJ	950.00	0.1515	0.1636	143.93	155.42	\$/kWh
E-C-CH2-24UC	8,466.00	0.1057	0.1057	894.86	894.86	\$/kWh
E-C-CH2-AICO	4,028.00	0.0814	0.0814	327.88	327.88	\$/kWh
E-C-CH2-CTRL	745.00	0.0451	0.0451	33.60	33.60	\$/kWh
E-C-CH2-CTUD	0.00	0.0000	0.1309	-0.00	-0.00	\$/kWh
E-C-CH2-CTUN	0.00	0.0000	0.0298	-0.00	-0.00	\$/kWh
E-C-CH2H-24UC	7,689,030.52	0.1356	0.1134	1,042,632.78	871,936.06	\$/kWh
E-C-CH2H-AICO	1,200,202.00	0.0814	0.0905	97,696.44	108,618.28	\$/kWh
E-C-CH2H-CTRL	69,632.00	0.0464	0.0563	3,227.67	3,920.28	\$/kWh
E-C-CH2H-CTUD	777,758.00	0.2281	0.1490	177,400.65	115,885.94	\$/kWh
E-C-CH2H-NITE	415,616.00	0.0467	0.0354	19,410.44	14,712.81	\$/kWh
E-C-CH2H-TAIC	0.00	0.0000	0.1134	9,053.73	0.00	\$/kWh

Tariff Code	Quantity	Weighted Average 2013-14 Price	2014-15 Price	2013-14 Revenue	2014-15 Revenue	Unit of Measure
	Q ₂₀₁₃	P ₂₀₁₄	P ₂₀₁₅	P ₂₀₁₄ * Q ₂₀₁₃	P ₂₀₁₅ * Q ₂₀₁₃	
E-C-CH2I-24UC	2,374,528.00	0.0836	0.1100	198,508.09	261,198.08	\$/kWh
E-C-CH2I-AICO	0.00	0.0000	0.0814	0.00	0.00	\$/kWh
E-C-CH2I-CTRL	33,874.00	0.0451	0.0750	1,527.72	2,540.55	\$/kWh
E-C-CH2I-CTUD	1,507,550.00	0.0813	0.1400	122,630.00	211,057.00	\$/kWh
E-C-CH2I-NITE	679,728.00	0.0187	0.0350	12,726.39	23,790.48	\$/kWh
E-C-CH2I-TAIC	0.00	0.0000	0.1100	0.00	0.00	\$/kWh
E-C-CH2L-24UC	2,317,867.00	0.1057	0.1000	244,998.54	231,786.70	\$/kWh
E-C-CH2L-AICO	163,448.00	0.0814	0.0772	13,304.67	12,618.19	\$/kWh
E-C-CH2L-CTRL	36,560.00	0.0451	0.0430	1,648.86	1,572.08	\$/kWh
E-C-CH2L-CTUD	23,429.00	0.1309	0.1335	3,066.86	3,127.77	\$/kWh
E-C-CH2L-NITE	10,663.00	0.0298	0.0260	317.76	277.24	\$/kWh
E-C-CH2L-TAIC	0.00	0.0000	0.1000	0.00	0.00	\$/kWh
E-C-CH2-NITE	0.00	0.0000	0.0298	-0.00	-0.00	\$/kWh
E-C-CH2-PROJ	0.00	0.0000	0.1057	0.00	0.00	\$/kWh
E-C-CH2R-24UC	15,673,685.00	0.1057	0.1112	1,656,708.50	1,742,913.77	\$/kWh
E-C-CH2R-AICO	10,910,091.00	0.0814	0.0850	888,081.41	927,357.74	\$/kWh
E-C-CH2R-CTRL	1,400,817.00	0.0451	0.0456	63,176.85	63,877.26	\$/kWh
E-C-CH2R-CTUD	814,193.00	0.1309	0.1537	106,577.86	125,161.82	\$/kWh
E-C-CH2R-NITE	470,083.00	0.0298	0.0320	14,008.47	15,042.66	\$/kWh
E-C-CH2R-PROJ	406.00	0.1057	0.1112	42.91	45.15	\$/kWh
E-C-CH2-TAIC	0.00	0.0000	0.1057	0.00	0.00	\$/kWh
E-C-CH3-24UC	4,473,110.00	0.0672	0.0900	300,557.18	402,579.90	\$/kWh
E-C-CH3-CTUD	1,579,176.00	0.1116	0.1200	176,224.67	189,501.12	\$/kWh
E-C-CH3-CTUN	0.00	0.0000	0.0300	0.00	0.00	\$/kWh
E-C-CH3-DMND	1,278.80	25.4503	5.2500	32,545.86	6,713.70	\$/kW/mth
E-C-CH3-KVAR	96.87	67.7284	7.3650	6,561.08	713.47	\$/KVAR/mth
E-C-CH3-NITE	727,675.00	0.0387	0.0300	28,129.98	21,830.25	\$/kWh
E-C-CH3-SOPD	1,260.56	32.5478	9.7500	41,028.41	12,290.46	\$/kW/mth
E-C-CH3-TAIC	1,115,526.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH4-24UC	1,882,467.00	0.0140	0.0510	26,392.16	96,005.82	\$/kWh
E-C-CH4-CTUD	1,334,772.00	0.0441	0.0700	58,801.55	93,434.04	\$/kWh
E-C-CH4-CTUN	0.00	0.0000	0.0170	0.00	0.00	\$/kWh
E-C-CH4-DMND	6,783.54	4.0429	5.7500	27,425.05	39,005.36	\$/kW/mth
E-C-CH4-KVAR	823.09	3.6321	7.3650	2,989.50	6,062.03	\$/KVAR/mth
E-C-CH4-NITE	563,627.00	0.0124	0.0170	6,963.20	9,581.66	\$/kWh
E-C-CH4-SOPD	6,456.48	9.4304	9.7500	60,887.04	62,950.68	\$/kW/mth
E-C-CH4-TAIC	1,679,066.00	0.0000	0.0000	0.00	0.00	\$/kWh

Tariff Code	Quantity	Weighted Average 2013-14 Price	2014-15 Price	2013-14 Revenue	2014-15 Revenue	Unit of Measure
	Q ₂₀₁₃	P ₂₀₁₄	P ₂₀₁₅	P ₂₀₁₄ * Q ₂₀₁₃	P ₂₀₁₅ * Q ₂₀₁₃	
E-C-CH5-24UC	0.00	0.0000	0.0600	36,120.04	0.00	\$/kWh
E-C-CH5-CTUD	0.00	0.0000	0.0667	15,587.79	0.00	\$/kWh
E-C-CH5-DMND	13,716.68	0.0000	3.7500	0.00	51,437.55	\$/kW/mth
E-C-CH5-KVAR	1,847.78	0.0000	7.3650	0.00	13,608.90	\$/KVAR/mth
E-C-CH5-NITE	0.00	0.0000	0.0162	1,775.52	0.00	\$/kWh
E-C-CH5-SOPD	8,062.42	0.0000	9.7500	0.00	78,608.60	\$/kW/mth
E-C-CH5-TAIC	0.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH5-WOPD	3,503.02	0.0000	9.7500	0.00	34,154.45	\$/kW/mth
E-C-CH6-CTUD	186,120.00	0.0583	0.0650	10,850.80	12,097.80	\$/kWh
E-C-CH6-DMND	4,104.18	2.7947	3.7500	11,470.01	15,390.68	\$/kW/mth
E-C-CH6-KVAR	1,087.31	2.9943	7.3650	3,255.77	8,008.01	\$/KVAR/mth
E-C-CH6-NITE	57,400.00	0.0151	0.0160	866.74	918.40	\$/kWh
E-C-CH6-SOPD	4,004.56	4.9711	9.7500	19,907.03	39,044.46	\$/kW/mth
E-C-CH6-TAIC	1,298,443.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH7-DMND	-0.00	0.0000	3.7500	4,112.44	-0.00	\$/kW/mth
E-C-CH7-KVAR	0.00	0.0000	7.3650	1,301.29	0.00	\$/KVAR/mth
E-C-CH7-SOPD	0.00	0.0000	9.7500	8,057.52	0.00	\$/kW/mth
E-C-CH7-TAIC	548,437.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH7-WOPD	0.00	0.0000	9.7500	0.00	0.00	\$/kW/mth
E-C-CH8-DMND	1,930.08	5.6059	3.7500	10,819.75	7,237.80	\$/kW/mth
E-C-CH8-KVAR	151.01	25.3888	7.3650	3,834.05	1,112.21	\$/KVAR/mth
E-C-CH8-SOPD	0.00	0.0000	9.7500	0.00	0.00	\$/kW/mth
E-C-CH8-TAIC	1,297,265.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH8-WOPD	1,904.64	9.0083	9.7500	17,157.59	18,570.24	\$/kW/mth
E-C-CH9-DMND	-0.00	0.0000	3.7500	6,851.41	-0.00	\$/kW/mth
E-C-CH9-KVAR	0.00	0.0000	7.3650	2,670.25	0.00	\$/KVAR/mth
E-C-CH9-SOPD	0.00	0.0000	9.7500	0.00	0.00	\$/kW/mth
E-C-CH9-TAIC	1,054,892.00	0.0000	0.0000	0.00	0.00	\$/kWh
E-C-CH9-WOPD	0.00	0.0000	9.7500	10,292.79	0.00	\$/kW/mth
E-C-T1P-24UC	10,843.00	0.1163	0.1223	1,261.04	1,326.32	\$/kWh
E-C-U01-1	10,415.06	0.1070	0.1170	1,114.41	1,218.56	\$/kWh
E-C-U01-UNMT	138,980.33	0.1070	0.1170	14,870.90	16,260.70	\$/kWh
E-C-U02-1	370,433.11	0.1070	0.1170	39,636.34	43,340.67	\$/kWh
E-C-U02-2	29,231.50	0.1070	0.1170	3,127.77	3,420.09	\$/kWh
E-C-U02-3	24,988.24	0.1070	0.1170	2,673.74	2,923.62	\$/kWh
E-C-U02-4	2,137.83	0.1070	0.1170	228.75	250.13	\$/kWh

Tariff Code	Quantity	Weighted Average 2013-14 Price	2014-15 Price	2013-14 Revenue	2014-15 Revenue	Unit of Measure
	Q ₂₀₁₃	P ₂₀₁₄	P ₂₀₁₅	P ₂₀₁₄ * Q ₂₀₁₃	P ₂₀₁₅ * Q ₂₀₁₃	
F-C-CH1	797,820.00	0.1500	0.1500	119,673.00	119,673.00	\$/day
F-C-CH10	0.00	0.0000	85.0000	38,755.08	0.00	\$/day
F-C-CH11	365.00	481.9676	75.0000	175,918.17	27,375.00	\$/day
F-C-CH12	365.00	1485.0291	435.0000	542,035.62	158,775.00	\$/day
F-C-CH13	0.00	0.0000	0.0000	38,755.08	0.00	\$/day
F-C-CH2	2,646.00	1.1546	1.1546	3,055.07	3,055.07	\$/day
F-C-CH2H	203,987.00	1.2390	1.2000	252,740.79	244,784.40	\$/day
F-C-CH2I	23,295.00	0.9556	1.9000	22,260.69	44,260.50	\$/day
F-C-CH2L	520,750.00	1.1546	1.4200	601,257.95	739,465.00	\$/day
F-C-CH2R	1,309,093.00	1.1546	1.3000	1,511,478.78	1,701,820.90	\$/day
F-C-CH3	24,256.00	11.2220	9.5000	272,200.20	230,432.00	\$/day
F-C-CH4	9,403.00	19.7072	32.0000	185,307.01	300,896.00	\$/day
F-C-CH5	2,920.00	9.2798	42.5000	27,096.94	124,100.00	\$/day
F-C-CH6	1,095.00	61.7861	57.5000	67,655.78	62,962.50	\$/day
F-C-CH7	0.00	0.0000	62.5000	24,098.18	0.00	\$/day
F-C-CH8	365.00	185.3676	75.0000	67,659.17	27,375.00	\$/day
F-C-CH9	0.00	0.0000	85.0000	36,543.47	0.00	\$/day
F-C-T1P	1,693.00	1.2701	1.4300	2,150.28	2,420.99	\$/day
F-C-U02-1	298,913.00	0.0392	0.0450	11,717.39	13,451.09	\$/day
F-C-U02-3	12,154.00	0.0392	0.0450	476.44	546.93	\$/day
F-C-U02-4	2,190.00	0.0392	0.0450	85.85	98.55	\$/day
E-C-CH3-CTRL	1,935.00	0.0000	0.0400	0.00	77.40	\$/kWh

Revenue Totals:	11,507,974.16	12,405,503.70
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Appendix D – Recoverable and Pass-through Costs (Clause 11.3(b) and (c))

Table The table below shows the recoverable and pass-through costs for the year ending March 2015.

Recoverable and Pass Through Costs for year ending March 2015				
V_{2015}	Actual	Forecast	Variance	Variance
Transmission	\$ 2,799,725	\$ 2,799,725	-	0.0%
Avoided Transmission	-	-	-	0.0%
K_{2015}	Actual	Forecast	Variance	Variance
Rates	\$ 39,189	\$ 34,964	\$ 4,225	10.8%
Electricity Authority Levies	\$ 19,631	\$ 16,986	\$ 2,645	13.5%
Commerce Act Levies	\$ 33,206	\$ 32,979	\$ 227	0.7%
Electricity and Gas Complaints Commissioner Levies	\$ 2,965	\$ 2,965	-	0.0%
Total Recoverable and Pass Through Costs	\$ 2,894,716	\$ 2,887,619	\$ 7,097	0.2%

Explanations for variances

Listed below are explanations for variances.

- Transmission - No variance.
- Avoided Transmission - Centralines does not currently pay any avoided transmission costs.
- Rates - The rates to be paid were not known at the time of setting tariffs so were estimated based on a 2% increase. The majority of the forecast variance was due to a rate increase on State Highway 2 assets for three months (April, May and June of 2014). The remaining rates increased by 3% on average.
- Electricity Authority Levies - Levies were not known at the time of setting tariffs so were estimated based on the previous year. Increases in levies above the indicative rates communicated before tariff setting were allowed to be claimed as pass-through costs in the next regulatory period. This helped reduce the impact of the levy increase.
- Commerce Act Levies Variance - 2014-15 Commerce Act levies were not known at the time of setting tariffs so were estimated based on the previous year.
- Electricity and Gas Complaints Commissioner Levies - No variance.

Appendix E – Quality Standard Compliance Calculations (Clause 11.3(h))

Reliability Data (before Normalisation)

Year	SAIDI (Interruption Duration)			SAIFI (Interruption Frequency)		
	Class B	Class C	Total	Class B	Class C	Total
2005	15.60	155.79	171.39	0.07	3.38	3.45
2006	41.19	99.54	140.73	0.14	3.76	3.90
2007	38.97	148.08	187.05	0.12	3.06	3.18
2008	49.57	105.64	155.21	0.15	2.50	2.65
2009	66.24	132.52	198.76	0.26	4.69	4.95
	Reference Period Total SAIDI		853.14	Reference Period Total SAIFI		18.13
	Reference Period Average SAIDI		170.63	Reference Period Average SAIFI		3.63
2015	50.98	90.39	141.37	0.27	2.13	2.40

Reliability Limit Calculations

SAIDI Boundary Calculations

α_{SAIDI}	-1.06	The average of the natural logarithm (ln) of each daily SAIDI Value in the non-zero data set.
β_{SAIDI}	1.69	The standard deviation of the natural logarithm (ln) of each daily SAIDI Value in the non-zero data set.
$B_{SAIDI} = e^{(\alpha_{SAIDI} + 2.5 * \beta_{SAIDI})}$	23.61	SAIDI Boundary Value

SAIFI Boundary Calculations

α_{SAIFI}	-5.39	The average of the natural logarithm (ln) of each daily SAIFI Value in the non-zero data set.
β_{SAIFI}	1.85	The standard deviation of the natural logarithm (ln) of each daily SAIFI Value in the non-zero data set.
$B_{SAIFI} = e^{(\alpha_{SAIFI} + 2.5 * \beta_{SAIFI})}$	0.46	SAIFI Boundary Value

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Appendix E – Quality Standard Compliance Calculations (Clause 11.3(h)), Continued

Event Days exceeding SAIDI Boundary Value within the Reference Dataset

Date	Pre-Normalised SAIDI	Pre-Normalised SAIFI	Normalised SAIDI	Normalised SAIFI
30-Jun-04	42.39	0.67	23.61	0.46

SAIDI Limit

μ_{SAIDI}	166.87	The average annual SAIDI Value in the Normalised Reference Dataset.
σ_{SAIDI}	30.68	The standard deviation of daily SAIDI Values in the Normalised Reference Dataset multiplied by $\sqrt{365}$.
$SAIDI_{Limit} = \mu_{SAIDI} + \sigma_{SAIDI}$	197.55	SAIDI Limit Value

SAIFI Limit

μ_{SAIFI}	3.427	The average annual SAIFI Value in the Normalised Reference Dataset.
σ_{SAIFI}	0.826	The standard deviation of daily SAIFI Values in the Normalised Reference Dataset multiplied by $\sqrt{365}$.
$SAIFI_{Limit} = \mu_{SAIFI} + \sigma_{SAIFI}$	4.254	SAIFI Limit Value

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Appendix E – Quality Standard Compliance Calculations (Clause 11.3(h)), Continued

Reliability Assessment Calculations

Event Days exceeding SAIDI Boundary Value within the 2015 Assessment Dataset

Date	Pre-Normalised SAIDI	Pre-Normalised SAIFI	Normalised SAIDI	Normalised SAIFI
			-	-

Assessed SAIDI Value

SAIDI ₂₀₁₅	141.37	The sum of daily SAIDI Values in the 1 April 2014 - 31 March 2015 Normalised Assessment Dataset.
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Assessed SAIFI Value

SAIFI ₂₀₁₅	2.401	The sum of daily SAIFI Values in the 1 April 2014 - 31 March 2015 Normalised Assessment Dataset.
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Appendix E – Quality Standard Compliance Calculations (Clause 11.3(h)), Continued

Assessed SAIDI Value

SAIDI₂₀₁₄

163.01

The sum of daily SAIDI Values in the 1 April 2013 - 31 March 2014 Normalised Assessment Dataset.

Assessed SAIFI Value

SAIFI₂₀₁₄

3.315

The sum of daily SAIFI Values in the 1 April 2013 - 31 March 2014 Normalised Assessment Dataset.

Assessed SAIDI Value

SAIDI₂₀₁₃

123.85

The sum of daily SAIDI Values in the 1 April 2012 - 31 March 2013 Normalised Assessment Dataset.

Assessed SAIFI Value

SAIFI₂₀₁₃

2.696

The sum of daily SAIFI Values in the 1 April 2012 - 31 March 2013 Normalised Assessment Dataset.

Appendix F – Policies and Procedures for Recording SAIDI and SAIFI (Clause 11.3 (i))

Outage Data Capture process

The capture of outage data uses the following data sources and utilities.

Data	Source
(1) Numbers of ICPs attached to 11kV/400v transformers.	GIS
(2) Transformers connected between Isolation Points.	GIS
(3) Real time data.	RealFlex Scada

The data from SCADA is accurate within the abilities of operators and field staff to report and record each manual event. The logging of SCADA connected devices is automatic.

SCADA timing

Automatically recorded SCADA data is time stamped at the RTU which are time corrected to the master station each half hour.

RealFlex SCADA

Centralines SCADA is part of Unison's Taupo-Rotorua SCADA system, with all zone substation 33kV and 11kV circuit breakers linked by RTUs that report automatically and time stamp all changes of state devices directly to the SCADA Daily log file.

Each zone substation and 11kV feeder is represented by a schematic picture, a SCADA tile or series of SCADA tiles if the feeder is extensive in the real world.

The SCADA Event Search tool is used to search and print a report for each unplanned outage.

The resulting report is used with GIS data to compile a report, in preparation for entry into the Faults database.

Faults Access database

All unplanned and planned outages are processed from their initiation to completion using Access modules contained in the Faults database.

Each unplanned or planned outage has a unique identifier, the Sheet Number/Record number.

A summary of general details for each unplanned and planned outage is recorded by the operator.

For planned outages, the Switching Update form is used to collate all relevant data entered on the Switching Instruction.

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Appendix F – Policies and Procedures for Recording SAIDI and SAIFI (Clause 11.3 (i)), Continued

Faults Access database (cont)

Times of power off, power restored and ICPs affected, are entered in the database from the data entered on the Switching Instruction.

All ICP data comes from GIS.

Supply Off and Supply Restored times are annotated on the Switching Instruction in real time.

At the end of the process the calculator checks that the total number of ICPs restored is correct before final calculations are made.

The record cannot be saved until both values are equal.

Only the final, calculated data is held in the table 'Datafile'.

All the incremental step values are held in a common table, 'Outage Calculator'.

Both tables are linked using the Sheet Number field of the Datafile record.

For unplanned outages, the Network Update form is used to collate all relevant data.

The times of restoration or interruption, are taken from an extract of the SCADA Daily Log file.

The operator enters the total number of ICPs affected, calculated from the Excel spreadsheets, time of supply fail, and time of total restoration of supply.

In the case of faults where sequential restorations and further interruptions to supply occur, the elapsed times, interruption times, ICPs and feeder amps restored or interrupted at each step, are entered in a custom built calculator.

At the end of the process the calculator checks that the total number of ICPs restored is correct before final calculations are made.

The record cannot be saved until both values are equal.

Only the final, calculated data is held in the table 'Datafile'. All the incremental step values are held in a common table, 'Outage Calculator'. Both tables are linked using the Sheet Number field of the Datafile record.
