

CENTRALINES
LIMITED

**Default Price Quality Path
Annual Compliance Statement**

For the assessment period ending 31 March 2014

Pursuant to
**Electricity Distribution Services Default Price-Quality Path
Determination 2012
NZCC 35**

28 May 2014

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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 at the assessment date, 31 March 2014, as specified in the Electricity Distribution Services Default Price-Quality Path Determination 2012 NZCC 35.

1.2. Compliance with the Price Path (Clause 11.3 (f))

Centralines confirms that the following clauses as specified in the Electricity Distribution Services Default Price-Quality Path Determination 2012 NZCC 35 did not apply during the assessment period.

8.5 - Restructuring of Prices during an assessment period.

8.6 - Alternative compliance following restructuring of Prices.

1.3. Compliance with the Price Path (Clause 11.3 (j))

Centralines confirms that the following clauses as specified in the Electricity Distribution Services Default Price-Quality Path Determination 2012 NZCC 35 did not apply during the assessment period.

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 provision following a transaction.

10.4 - Requirement to notify the Commission of large transactions.

1.4. Allowable Notional Revenue (Clause 8.4)

The notional revenue (NRt) of a Non-exempt EDB at any time during the Assessment Period must not exceed the allowable notional revenue (Rt) 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:	$\frac{NR_{2014}}{R_{2014}} \leq 1$	
NR ₂₀₁₄ :	\$	8,412,720
R ₂₀₁₄ :	\$	8,626,322
Result:		0.9752 < 1
Result:	Price Path has not been breached	

Test:	$\frac{NR_{Max}}{R_{2014}} \leq 1$	
NR _{Max} :	\$	8,412,720
R ₂₀₁₄ :	\$	8,626,322
Result:		0.9752 < 1
Result:	Price Path has not been breached	

Supporting evidence is provided in Appendices A, B and C.

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 at the assessment date 31 March 2014, as specified in the Electricity Distribution Services Default Price-Quality Path Determination 2012 NZCC 35.

2.2.2014 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 compliance with the SAIFI limit.

Note. Centralines' SAIFI calculated limit has changed from 4.53 disclosed in the previous three compliance statements to 4.25. This change has been made as a result of comparisons of the daily aggregate of outage data used to calculate the reliability limits in previous statements and individual outage record data. This data was uncovered during completion of the Information Request Workbooks following the request from Commerce Commission under s53ZD of the Companies Act 1986. Although Centralines has not been able to determine which dataset is correct, given the historical nature of the data, Centralines has adopted the most conservative position and revised the SAIFI limits to the lower limit. This does not affect Centralines' compliance with the quality limits in any of the compliance years.

Test:	$\frac{SAIDI_{Assess\ 2014}}{SAIDI_{Limit}} \leq 1$	
SAIDI _{Assess 2014}		163.01
SAIDI _{Limit}		197.55
Result:	0.83	< 1
Result:	Does not Exceed Limit	

Test:	$\frac{SAIFI_{Assess\ 2014}}{SAIFI_{Limit}} \leq 1$	
SAIFI _{Assess 2014}		3.32
SAIFI _{Limit}		4.25
Result:	0.78	< 1
Result:	Does not Exceed Limit	

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 2012}	156.75	SAIFI _{Assess 2012}	3.64
SAIDI _{Limit}	197.55	SAIFI _{Limit}	4.25
0.79	< 1	0.86	< 1
<i>Does not Exceed Limit</i>		<i>Does not Exceed Limit</i>	

SAIDI _{Assess 2013}	123.85	SAIFI _{Assess 2013}	2.70
SAIDI _{Limit}	197.55	SAIFI _{Limit}	4.25
0.63	< 1	0.63	< 1
<i>Does not Exceed Limit</i>		<i>Does not Exceed Limit</i>	

2.4.Compliance Summary

Clause 9.1 A Non-exempt EDB must, in respect of each Assessment Period, either:

- (a) comply with the annual reliability assessment specified in clause 9.2; or
- (b) 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:	<i>Complies with Quality Standard</i>		

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 NZCC 35. 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.

CERTIFICATION OF ANNUAL COMPLIANCE STATEMENT



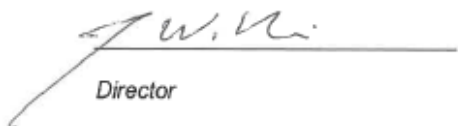
DIRECTORS' CERTIFICATE ON ANNUAL COMPLIANCE STATEMENT

We, Sam Robinson and Josie Willis, 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: 28th May 2014



Director

Date: 28th May 2014

AUDITOR'S REPORT

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, John Mackey, using the staff and resources of Audit New Zealand, to provide an opinion, on her behalf, on whether the Annual Compliance Statement for the year ended on 31 March 2014 on pages 3 to 6 and pages 10 to 19 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 Annual Compliance Statement in accordance with the Determination, and for such internal control as the directors determine is necessary to enable the preparation of an Annual Compliance Statement that is free from material misstatement.

Auditor's responsibility for the Annual Compliance Statement

Our responsibility is to express an opinion on whether the Annual Compliance 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 Annual Compliance 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 Annual Compliance Statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Annual Compliance Statement, whether due to fraud or error or non-compliance with the Determination. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the Annual Compliance Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 3 to 4 and pages 10 to 15 of the Annual Compliance Statement.

In relation to the SAIDI and SAIFI statistics for the Reference Period and the Assessment Period ended on 31 March 2014, including the calculation of the Reliability Limits and the Assessed Values, which are relevant to the quality standards set out in clause 9 of the Determination, our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 5 to 6 and pages 16 to 19 of the Annual Compliance Statement.

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

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

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 Annual Compliance 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 Annual Compliance Statement, nor do we guarantee complete accuracy of the Annual Compliance Statement. Also we did not evaluate the security and controls over the electronic publication of the Annual Compliance 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, this engagement, Information Disclosures audit, notice audit, agreed upon procedures, six-month review engagements and the annual audit of the company's financial statements, we have no relationship with or interests in the company.

Opinion

In our opinion, the Annual Compliance Statement of Centralines Limited for the year ended on 31 March 2014, has been prepared, in all material respects, in accordance with the Determination.

Our audit was completed on 28 May 2014 and our opinion is expressed as at that date.



John Mackey
Audit New Zealand
On behalf of the Auditor-General
Christchurch, New Zealand

APPENDIX A - PRICE PATH COMPLIANCE CALCULATIONS (CLAUSE 11.3 (a))

Notional Revenue for the year ending March 2014		
Term	Description	Value \$
$P_{2014} * Q_{2012}$	Prices at 31 March 2014 multiplied by 31 March 2012 Base Quantities	11,191,452
V_{2014}	Transmission Charges for year ending 31 March 2014	2,697,371
	Avoided Transmission Charges for year ending 31 March 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
NR_{2014}	Notional Revenue for the year ending 31 March 2014	8,412,720

Supported by P*Q schedules presented in Appendix B

Maximum Notional Revenue for the year ending 31 March 2014		
Term	Description	Value \$
$P_{Max} * Q_{2012}$	Maximum Prices between 1 April 2013 and 31 March 2014 multiplied by 31 March 2012 Base Quantities	11,191,452
V_{2014}	Transmission Charges for year ending 31 March 2014	2,697,371
	Avoided Transmission Charges for year ending 31 March 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
NR_{Max}	Notional Revenue for the year ending 31 March 2014	8,412,720

Supported by P*Q schedules presented in Appendix B

Allowable Notional Revenue 2014		
Term	Description	Value \$
$P_{2013} * Q_{2012}$	Prices at 31 March 2013 multiplied by 31 March 2012 Base Quantities	10,355,655
V_{2013}	Transmission Charges for year ending 31 March 2013	2,629,102
	Avoided Transmission Charges for 2013	-
K_{2013}	Rates for year ending 31 March 2013	21,447
	Electricity Authority Levies for year ending 31 March 2013	17,468
	Commerce Act Levies for year ending 31 March 2013 + 1/5 of Commerce Act Levies for year ending 31 March 2010	23,626
	Electricity and Gas Complaints Commissioner Levies for year ending 31 March 2013	-
R_{2013}	Allowable notional revenue for the year ending 31 March 2013 as calculated under the 2010 DPP Determination	7,961,402
NR_{2013}	Notional revenue for the year ending 31 March 2013 as calculated under the 2010 DPP Determination	7,882,571
X	X Factor	-10%
$(1 + \Delta CPI_{2014})$	Average change in Consumer Price Index	101.28%
R_{2014}	Allowable Notional Revenue under the CPI-X Price Path for the year ending 31 March 2014	8,626,322

Supported by P*Q schedules presented in Appendix B

ΔCPI_{2014}			
Numerator		Denominator	
$CPI_{Dec2011}$	1158	$CPI_{Dec2010}$	1137
$CPI_{Mar2012}$	1164	$CPI_{Mar2011}$	1146
$CPI_{Jun2012}$	1168	$CPI_{Jun2011}$	1157
$CPI_{Sep2012}$	1171	$CPI_{Sep2011}$	1162
Total	4661	Total	4602
ΔCPI_{2014}	1.28%		

APPENDIX B - PRICE AND QUANTITY SCHEDULES (CLAUSE 11.3(a))

2013-14 Tariff Code	2011-12 Qty	2012-13 Price	2013-14 Price	2012-13 Revenue	2013-14 Revenue
E-C-CH10-DEFT	0.00	\$ 0.0504	\$ 0.0545	0.00	0.00
E-C-CH10-DMND	4,952.98	\$ 1.4945	\$ 1.6146	7,402.23	7,997.08
E-C-CH10-KVAR	2,038.00	\$ 7.2000	\$ 7.2923	14,673.60	14,861.71
E-C-CH10-SOPD	2,856.56	\$ 3.1727	\$ 3.4276	9,063.01	9,791.15
E-C-CH10-TAIC	1,910,229.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH10-WOPD	2,019.64	\$ 3.1727	\$ 3.4276	6,407.71	6,922.52
E-C-CH11-DEFT	0.00	\$ 0.0504	\$ 0.0545	0.00	0.00
E-C-CH11-DMND	11,165.40	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH11-KVAR	461.30	\$ 7.2000	\$ 7.2923	3,321.36	3,363.94
E-C-CH11-SOPD	6,599.02	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH11-TAIC	5,116,562.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH11-WOPD	4,228.80	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH1-24UC	2,528,778.00	\$ 0.1397	\$ 0.1515	353,270.29	383,109.87
E-C-CH12-DEFT	0.00	\$ 0.0504	\$ 0.0545	0.00	0.00
E-C-CH12-DMND	49,408.40	\$ 1.3598	\$ 1.4691	67,185.54	72,585.88
E-C-CH12-KVAR	14,788.93	\$ 3.6000	\$ 3.6462	53,240.16	53,923.41
E-C-CH12-SOPD	29,352.80	\$ 3.1727	\$ 3.4276	93,127.63	100,609.66
E-C-CH12-TAIC	22,600,628.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH12-WOPD	18,953.20	\$ 3.1727	\$ 3.4276	60,132.82	64,963.99
E-C-CH13-DEFT	0.00	\$ 0.0504	\$ 0.0545	0.00	0.00
E-C-CH13-DMND	2,195.96	\$ 1.4945	\$ 1.6146	3,281.86	3,545.60
E-C-CH13-KVAR	317.24	\$ 7.2000	\$ 7.2923	2,284.13	2,313.41
E-C-CH13-SOPD	1,280.68	\$ 3.1727	\$ 3.4276	4,063.21	4,389.66
E-C-CH13-TAIC	1,064,343.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH13-WOPD	877.58	\$ 3.1727	\$ 3.4276	2,784.30	3,007.99
E-C-CH1-AICO	6,934,906.00	\$ 0.1173	\$ 0.1272	813,464.47	882,120.04
E-C-CH1-CTRL	293,182.00	\$ 0.0838	\$ 0.0909	24,568.65	26,650.24
E-C-CH1-CTUD	233,469.00	\$ 0.1573	\$ 0.1767	36,724.67	41,253.97
E-C-CH1-CTUN	104,703.00	\$ 0.0698	\$ 0.0757	7,308.27	7,926.02
E-C-CH1-NITE	-1,159.00	\$ 0.0698	\$ 0.0757	-80.90	-87.74
E-C-CH1-PROJ	0.00	\$ 0.1397	\$ 0.1515	0.00	0.00
E-C-CH2-24UC	24,132,439.00	\$ 0.0979	\$ 0.1057	2,362,565.78	2,550,798.80
E-C-CH2-AICO	16,605,179.00	\$ 0.0757	\$ 0.0814	1,257,012.05	1,351,661.57
E-C-CH2-CTRL	1,300,335.00	\$ 0.0418	\$ 0.0451	54,354.00	58,645.11
E-C-CH2-CTUD	2,901,746.00	\$ 0.1156	\$ 0.1309	335,441.84	379,838.55
E-C-CH2-CTUN	1,131,185.00	\$ 0.0277	\$ 0.0298	31,333.82	33,709.31
E-C-CH2-NITE	-166,121.00	\$ 0.0277	\$ 0.0298	-4,601.55	-4,950.41
E-C-CH2-PROJ	0.00	\$ 0.0979	\$ 0.1057	0.00	0.00
E-C-CH2-TAIC	113,232.00	\$ 0.0979	\$ 0.1057	11,085.41	11,968.62

**Centralines Annual Compliance
Statement 2013-14**



2013-14 Tariff Code	2011-12 Qty	2012-13 Price	2013-14 Price	2012-13 Revenue	2013-14 Revenue
E-C-CH3-24UC	1,905,055.00	\$ 0.0811	\$ 0.0876	154,499.96	166,882.82
E-C-CH3-CTRL	-31,398.00	\$ 0.0406	\$ 0.0439	-1,274.76	-1,378.37
E-C-CH3-CTUD	2,253,515.00	\$ 0.0869	\$ 0.0939	195,830.45	211,605.06
E-C-CH3-CTUN	1,213,659.00	\$ 0.0310	\$ 0.0335	37,623.43	40,657.58
E-C-CH3-DMND	1,940.72	\$ 5.0985	\$ 5.5082	9,894.76	10,689.87
E-C-CH3-KVAR	351.87	\$ 7.2000	\$ 7.2923	2,533.44	2,565.92
E-C-CH3-NITE	-182,919.00	\$ 0.0310	\$ 0.0335	-5,670.49	-6,127.79
E-C-CH3-SOPD	1,622.68	\$ 9.3587	\$ 10.1107	15,186.18	16,406.43
E-C-CH3-TAIC	393,068.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH3-WOPD	262.98	\$ 9.3587	\$ 10.1107	2,461.15	2,658.91
E-C-CH4-24UC	830,113.00	\$ 0.0532	\$ 0.0575	44,162.01	47,731.50
E-C-CH4-CTUD	415,850.00	\$ 0.0683	\$ 0.0738	28,402.56	30,689.73
E-C-CH4-CTUN	166,915.00	\$ 0.0180	\$ 0.0194	3,004.47	3,238.15
E-C-CH4-DMND	8,258.68	\$ 3.5689	\$ 3.8557	29,474.40	31,842.99
E-C-CH4-KVAR	1,774.08	\$ 7.2000	\$ 7.2923	12,773.38	12,937.12
E-C-CH4-PROJ	0.00	\$ 0.0532	\$ 0.0575	0.00	0.00
E-C-CH4-RKVAR	934.87	-\$ 7.2000	-\$ 7.7786	-6,731.09	-7,272.01
E-C-CH4-SOPD	4,484.60	\$ 8.2356	\$ 8.8974	36,933.37	39,901.28
E-C-CH4-TAIC	1,823,900.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH4-WOPD	3,413.14	\$ 8.2356	\$ 8.8974	28,109.26	30,368.07
E-C-CH5-24UC	-3,000.00	\$ 0.0477	\$ 0.0515	-143.10	-154.50
E-C-CH5-CTUD	393,616.00	\$ 0.0617	\$ 0.0667	24,286.11	26,254.19
E-C-CH5-CTUN	197,180.00	\$ 0.0150	\$ 0.0162	2,957.70	3,194.32
E-C-CH5-DMND	1,743.52	\$ 3.5689	\$ 3.8557	6,222.45	6,722.49
E-C-CH5-KVAR	158.06	\$ 7.2000	\$ 7.2923	1,138.03	1,152.62
E-C-CH5-SOPD	1,281.76	\$ 7.2473	\$ 7.8297	9,289.30	10,035.80
E-C-CH5-TAIC	542,028.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH5-WOPD	440.02	\$ 7.2473	\$ 7.8297	3,188.96	3,445.22
E-C-CH6-DMND	1,006.08	\$ 3.5689	\$ 3.8557	3,590.60	3,879.14
E-C-CH6-KVAR	341.31	\$ 7.2000	\$ 7.2923	2,457.46	2,488.96
E-C-CH6-SOPD	587.30	\$ 6.3777	\$ 6.8902	3,745.62	4,046.61
E-C-CH6-TAIC	458,231.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH6-WOPD	393.06	\$ 6.3777	\$ 6.8902	2,506.82	2,708.26
E-C-CH7-DEFT	0.00	\$ 0.0504	\$ 0.0545	0.00	0.00
E-C-CH7-DMND	1,913.96	\$ 2.8551	\$ 3.0845	5,464.55	5,903.61
E-C-CH7-KVAR	30.58	\$ 7.2000	\$ 7.2923	220.18	223.00
E-C-CH7-SOPD	1,072.16	\$ 5.6123	\$ 6.0633	6,017.28	6,500.83
E-C-CH7-TAIC	596,517.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH7-WOPD	697.68	\$ 5.6123	\$ 6.0633	3,915.59	4,230.24

**Centralines Annual Compliance
Statement 2013-14**



2013-14 Tariff Code	2011-12 Qty	2012-13 Price	2013-14 Price	2012-13 Revenue	2013-14 Revenue
E-C-CH8-DEFT	0.00	\$ 0.0504	\$ 0.0545	0.00	0.00
E-C-CH8-DMND	3,329.24	\$ 2.8551	\$ 3.0845	9,505.31	10,269.04
E-C-CH8-KVAR	576.04	\$ 7.2000	\$ 7.2923	4,147.49	4,200.66
E-C-CH8-SOPD	1,702.40	\$ 4.9389	\$ 5.3358	8,407.98	9,083.67
E-C-CH8-TAIC	1,194,347.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH8-WOPD	1,316.20	\$ 4.9389	\$ 5.3358	6,500.58	7,022.98
E-C-CH9-DEFT	0.00	\$ 0.0504	\$ 0.0545	0.00	0.00
E-C-CH9-DMND	0.00	\$ 2.8551	\$ 3.0845	0.00	0.00
E-C-CH9-KVAR	0.00	\$ 7.2000	\$ 7.2923	0.00	0.00
E-C-CH9-SOPD	0.00	\$ 4.3462	\$ 4.6954	0.00	0.00
E-C-CH9-TAIC	0.00	\$ 0.0000	\$ 0.0000	0.00	0.00
E-C-CH9-WOPD	0.00	\$ 4.3462	\$ 4.6954	0.00	0.00
E-C-PRE	2,789,644.00	\$ 0.0757	\$ 0.0818	211,176.05	228,192.88
E-C-T1P-24UC	20,326.00	\$ 0.1077	\$ 0.1163	2,189.11	2,363.91
E-C-U01-1	13,859.40	\$ 0.0990	\$ 0.1070	1,372.08	1,482.96
E-C-U01-UNMT	91,359.56	\$ 0.0990	\$ 0.1070	9,044.60	9,775.47
E-C-U02-1	378,571.80	\$ 0.0990	\$ 0.1070	37,478.61	40,507.18
E-C-U02-2	29,154.38	\$ 0.0990	\$ 0.1070	2,886.28	3,119.52
E-C-U02-3	16,883.43	\$ 0.0990	\$ 0.1070	1,671.46	1,806.53
E-C-U02-4	2,132.19	\$ 0.0990	\$ 0.1070	211.09	228.14
F-C-CH1	710,456.00	\$ 0.1500	\$ 0.1500	106,568.40	106,568.40
F-C-CH10	732.00	\$ 98.2810	\$ 106.1783	71,941.69	77,722.52
F-C-CH11	366.00	\$ 446.1200	\$ 481.9676	163,279.92	176,400.14
F-C-CH12	366.00	\$ 1,374.5761	\$ 1,485.0291	503,094.85	543,520.65
F-C-CH13	366.00	\$ 98.2810	\$ 106.1783	35,970.85	38,861.26
F-C-CH2	2,183,972.00	\$ 1.0677	\$ 1.1546	2,331,826.90	2,521,614.07
F-C-CH3	16,572.00	\$ 14.5018	\$ 15.6671	240,323.83	259,635.18
F-C-CH4	5,490.00	\$ 29.8148	\$ 32.2105	163,683.25	176,835.65
F-C-CH5	1,540.00	\$ 34.3583	\$ 37.1191	52,911.78	57,163.41
F-C-CH6	366.00	\$ 57.1906	\$ 61.7861	20,931.76	22,613.71
F-C-CH7	366.00	\$ 61.1118	\$ 66.0224	22,366.92	24,164.20
F-C-CH8	732.00	\$ 85.7902	\$ 92.6838	62,798.43	67,844.54
F-C-CH9	0.00	\$ 92.6725	\$ 100.1191	0.00	0.00
F-CH2	0.00	\$ 1.0677	\$ 1.1546	0.00	0.00
F-C-T1P	2,721.00	\$ 1.0000	\$ 1.2701	2,721.00	3,455.94
F-C-U02-1	295,362.00	\$ 0.0363	\$ 0.0392	10,721.64	11,578.19
F-C-U02-3	9,882.00	\$ 0.0363	\$ 0.0392	358.72	387.37
F-C-U02-4	2,196.00	\$ 0.0363	\$ 0.0392	79.71	86.08

Total Revenue :	10,355,654.68	11,191,452.27
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APPENDIX C - PASS THROUGH COSTS (CLAUSE 11.3(b) AND (c))

Recoverable and Pass Through Costs for year ending March 2014				
V ₂₀₁₄	Actual (\$)	Forecast (\$)	Variance (\$)	Variance (%)
Transmission	2,697,371	2,697,371	-	-
Avoided Transmission	-	-	-	-
K ₂₀₁₄	Actual (\$)	Forecast (\$)	Variance (\$)	Variance (%)
Rates	34,279	22,098	12,180	55.1%
Electricity Authority Levies	13,158	16,289	(3,131)	(19.2)%
Commerce Act Levies	30,809	20,269	10,540	52.0%
Electricity and Gas Complaints Commissioner Levies	3,116	3,049	67	2.2%
Total Recoverable and Pass Through Costs	2,778,732	2,759,076	19,656	0.7%

Explanations for variances:

- Transmission – No Variance
- Avoided Transmission - Centralines does not pay any avoided transmission costs.
- Rates – Significant increase in CHB District Council rates assessed on SH2 assets from \$17,660 in 2012-13 year to \$36,617 in 2013-14 year.
- EA Levies – Electricity Authority levies were not known at the time of setting tariffs so were estimated based on the previous year, a wash-up of -\$4,534 was not included in the initial forecast.
- Commerce Act levies variance – 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 were not known at the time of setting tariffs so were based on the previous year.

APPENDIX D – 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
2014	78.87	84.14	163.01	0.48	2.83	3.32

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
$B_{SAIDI} = e^{(\alpha_{SAIDI} + 2.5 \cdot \beta_{SAIDI})}$	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
$B_{SAIFI} = e^{(\alpha_{SAIFI} + 2.5 \cdot \beta_{SAIFI})}$	0.46	SAIFI Boundary Value

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}	3.43	The average annual SAIFI Value in the Normalised Reference Dataset
σ_{SAIFI}	0.83	The standard deviation of daily SAIFI Values in the Normalised Reference Dataset multiplied by $\sqrt{365}$
$SAIFI_{Limit} = \mu_{SAIFI} + \sigma_{SAIFI}$	4.25	SAIFI Limit Value

Reliability Assessment Calculations

Event Days exceeding SAIDI Boundary Value within the 2014 Assessment Dataset

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

Assessed SAIDI Value

SAIDI ₂₀₁₄	163.01
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The sum of daily SAIDI Values in the 1 April 2013 - 31 March 2014 Normalised Assessment Dataset

Assessed SAIFI Value

SAIFI ₂₀₁₄	3.32
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The sum of daily SAIFI Values in the 1 April 2013 - 31 March 2014 Normalised Assessment Dataset

Prior Period Assessed Values

Assessed SAIDI Value

SAIDI ₂₀₁₃	123.85
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The sum of daily SAIDI Values in the 1 April 2012 - 31 March 2013 Normalised Assessment Dataset

Assessed SAIFI Value

SAIFI ₂₀₁₃	2.70
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The sum of daily SAIFI Values in the 1 April 2012 - 31 March 2013 Normalised Assessment Dataset

Assessed SAIDI Value

SAIDI ₂₀₁₂	156.75
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The sum of daily SAIDI Values in the 1 April 2011 - 31 March 2012 Normalised Assessment Dataset

Assessed SAIFI Value

SAIFI ₂₀₁₂	3.64
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The sum of daily SAIFI Values in the 1 April 2011 - 31 March 2012 Normalised Assessment Dataset

APPENDIX E – 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.

<u>Data</u>	<u>Source</u>
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 remote terminal units (RTU). These RTUs are time corrected to the master station each half hour.

Utilities

RealFlex SCADA

Centralines SCADA is part of Unison's Taupo-Rotorua SCADA System, with all Zone Substation 33kV and 11kV CBs 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.

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 No 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.

CLARIFICATION

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

General Manager Business Assurance
Unison Networks Ltd
PO Box 555
1101 Omahu Rd
Hastings
Ph (06) 873 9300
Fax (06) 873 9311