



ALPINE ENERGY LIMITED

# INFORMATION DISCLOSURE

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PREPARED IN ACCORDANCE WITH SUBPART 9 OF PART 4 OF THE COMMERCE ACT 1986



FOR THE YEAR ENDED 31 MARCH 2012

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## INTRODUCTION

These information disclosure documents submitted by Alpine Energy Limited (Alpine Energy) pursuant to subpart 9 of Part 4 of the Commerce Act 1986 have been prepared in accordance with:

- the *Electricity Information Disclosure Requirements* issued 31 March 2004, consolidating all amendments to 31 October 2008 (Requirements)
- the *Electricity Distribution (Information Disclosure) Requirements 2008*
- the *Electricity Information Disclosure Handbook* (as amended 31 October 2008)
- the *Handbook for Optimised Deprivation Valuation of System Fixed Assets of Electricity Lines Businesses* (30 August 2004).

## DISCLAIMER

The information disclosed in this 2012 Information Disclosure package issued by Alpine Energy has been prepared in accordance with the requirements listed above.

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

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

The financial information presented is for the line business as described within the Requirements. There are also additional activities of the Company that are not required to be reported under the Requirements.

Alpine Energy has no non-contiguous networks and is not consumer controlled and therefore additional disclosures under clauses 6(1)(b) and 6(1)(c) of the *Electricity Distribution (Information Disclosure) Requirement 2008* are not required.

## SCHEDULES

## FS1 – REGULATORY PROFIT STATEMENT

<b>REPORT FS1: REGULATORY PROFIT STATEMENT</b>		Electricity Distribution Business: <b>Alpine Energy Limited</b>	
<i>ref</i>		For Year Ended	<b>2012</b>
5			
6	<b>Income</b>		
7			<b>(\$000)</b>
8	Net Line Charge Revenue Received	33,759	
9	<i>plus</i> Discretionary Discounts and Customer Rebates	-	FS1a
10	<b>Gross Line Charge Income</b>		<b>33,759</b>
11			
12			
13	Capital Contributions	1,749	
14	<i>plus</i> Net Value of Vested Assets	-	
15	<b>Total Capital Contributions and Vested Assets</b>		<b>1,749</b>
16			
17	AC Loss Rental Rebates Received	895	
18	<i>less</i> AC Loss Rental Rebates Passed On	-	
19	<b>Net AC loss rental income (deficit)</b>		<b>895</b>
20			
21			
22	<b>Other Income</b>	10	
23			10
24			
25	<b>Total regulatory income</b>		<b>36,413</b>
26			
27			
28	<b>Expenses</b>		
29			
30	Transmission Charges - Payments to Transpower	9,667	
31	<i>plus</i> Avoided Transmission Charges - payments to parties other than Transpower	-	
32	<b>Total Transmission Costs</b>		<b>9,667</b>
33			
34	<b>Operational Expenditure:</b>		
35	General Management, Administration and Overheads	3,361	
36	System Management and Operations	4,815	
37	Routine and Preventative Maintenance	2,280	to AM1
38	Refurbishment and Renewal Maintenance	643	to AM1
39	Fault and Emergency Maintenance	1,170	to AM1
40	Pass-through Costs	163	
41	Other	129	
42	<b>Total Operational Expenditure</b>		<b>12,563</b> to MP2
43			
44			
45	<b>Operational earnings</b>		<b>14,183</b>
46			
47			
48	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)	5,593	from AV1
49	<i>plus</i> Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)	194	from AV1
50	<b>Total Regulatory Depreciation</b>		<b>5,787</b> to FS3
51			
52			
53	<b>Earnings before interest and tax (EBIT)</b>		<b>8,396</b> to FS3
54			
55	<i>less</i> <b>Regulatory Tax Allowance</b>		<b>936</b> from FS3
56			
57	<i>plus</i> <b>Indexed Revaluation (of System Fixed Assets)</b>		<b>2,065</b> from AV1
58	<i>plus</i> <b>Revaluations of Non-System Fixed Assets</b>		<b>-</b> from AV1
59			
60	<b>Regulatory profit / loss (pre-financing and distributions)</b>		<b>9,525</b> 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>	(\$000)
70	Customer Rebates	
71	Line Charge Holidays and other Discretionary Discounts	
72	<b>Total Discretionary Discounts and Customer Rebates</b>	-
75	<b>FS1b: Related party expenditure - summary</b>	(\$000)
76	Avoided Transmission Charges	
77	Operational Expenditure	5,334
78	Subvention Payment	
79	Other related party expenditure	7,359
80	<b>Total Related Party Expenditure</b>	12,693
81		
82	<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>	
83		
84		
87	<b>FS1c: Operational Expenditure notes</b>	(\$000)
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	4,458 <i>Notes to be provided separately</i>
94	within expenditure category:	Other
95		
96	Material item amount 2	3,793 <i>Notes to be provided separately</i>
97	within expenditure category:	General Management, Administration
98		
99	Material item amount 3	<i>Notes to be provided separately</i>
100	within expenditure category:	Select one
101		
102		
103		<i>(further disclosures to be provided on separate page if required)</i>
106	<b>FS1d: Vested Assets</b>	(\$000)
107	Consideration Paid for Vested Assets	
110	<b>FS1e: Reclassified items in Operational Expenditure</b>	(\$000)
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		(\$000)
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		(\$000)
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>	

Notes: FS1(c) Further description of FS1(c) – Material Items  
 Material Item 1 \$4,458,315 for Contractor Payments  
 Material Item 2 \$3,793,414 for Labour Costs  
 FS1(b) For further details, refer to separate Related Party note on page 18.

## FS2 – REGULATORY ASSET AND FINANCING STATEMENT

<b>REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT</b>			
<i>ref</i>	Electricity Distribution Business:	Alpine Energy Limited	
5		For Year Ended	2012
6			
7	<b>Capital Expenditure on System Fixed Assets (by primary purpose)</b>		<b>(\$000)</b>
8	Customer Connection	2,660	to AM1
9	System Growth	12,550	to AM1
10	Reliability, Safety and Environment	798	to AM1
11	Asset Replacement and Renewal	2,048	to AM1
12	Asset Relocations	-	to AM1
13	<b>Total Capital Expenditure on System Fixed Assets</b>	<b>18,056</b>	to AM1
14			
15			
16	<b>Capital Expenditure on Non-System Fixed Assets</b>	<b>174</b>	from AV1
17			
18			
19	<b>Capital works roll-forward (for System Fixed Assets)</b>		
20	Works Under Construction at Beginning of Year	9,987	
21	plus Total Capital Expenditure on System Fixed Assets	18,056	
22	less Assets Commissioned in Year	7,868	from AV1
23	<b>Works under construction at year end</b>	<b>20,174</b>	
24			
25			
26	<b>Regulatory Investment Value calculation</b>		
27	System Fixed Assets: regulatory value at end of Previous Year	131,458	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	601	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	3,221	2.45%
30	<b>Total Regulatory Asset Base value at beginning of Current Financial Year</b>	<b>135,280</b>	
31			
32	plus System Fixed Assets Commissioned in Year	7,868	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	174	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	8,042	
36	<b>Regulatory Asset Base investment in Current Financial Year - average</b>	<b>4,021</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>139,301</b>	to MP2

## FS3 – REGULATORY TAX ALLOWANCE CALCULATION

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION		Electricity Distribution Business: <b>Alpine Energy Limited</b>	
ref		For Year Ended	<b>2012</b>
5			
6			
7			<b>(\$000)</b>
8	<b>Earnings before interest and tax (EBIT)</b>		8,396 <i>from FS1</i>
9			
10	<i>add</i> Total Regulatory Depreciation	5,787	<i>from FS1</i>
11	Other Permanent Differences - not deductible	122	
12	Other Temporary Adjustments - Current Period	985	
13			6,893
15	<i>less</i> Non Taxable Capital Contributions and Vested Assets	1,596	
16	Tax Depreciation	5,989	
17	Deductible Discretionary Discounts and Customer Rebates		
18	Deductible Interest	3,243	<i>from row 53</i>
19	Other Permanent Differences - Non Taxable		
20	Other Temporary Adjustments - Prior Period	1,119	
21			11,947
22			
23	<b>Regulatory taxable income for Year</b>		<b>3,342</b>
24			
25	<i>less</i> Tax Losses Available at Start of Year		
26	<b>Net taxable income</b>		<b>3,342</b>
27			
28	Statutory Tax Rate	28%	
29	<b>Regulatory Tax Allowance</b>		<b>936</b> <i>to FS1</i>

## Notes to Regulatory Tax Allowance Calculation

36 **FS3a: Description of adjustments classified as "other"**

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 *Other Permanent Differences - not deductible* at row 11 is Accounting loss on sale - permanent during the period.

42  
43 Please see Table 1 for descriptions of items recorded as *Other Temporary Adjustments* at rows 12 and 20 above.

48 **FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)**

49	Standard Debt Leverage Assumption (debt/total assets)	40%	%	
50				
51	Standard Cost of Debt Assumption	5.82%	%	
52				
53	Deductible Interest	3,243	\$000	<i>to row 18</i>
54				
55	Interest Tax Shield Adjustment	908	\$000	<i>to MP2</i>
56				

Table 1: Other temporary adjustments for the year ended 31 March

	2012 \$'000	2011 \$'000
Holiday pay	302	215
Long service leave	100	102
Provision for doubtful debts	81	81
Accounting loss on sale of assets	8	407
Reduction in tax base of buildings	493	314
Total	985	1119

## AV1 – ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT									
ref	Electricity Distribution Business: <b>Alpine Energy Limited</b>								
5								For Year Ended:	2012
6								Year of most recent ODV	2004
7									
8									
9									
10									
11	<b>System Fixed Assets</b>								
12	Regulatory Value at End of Previous Year*	81,784	86,430	90,900	94,182	104,543	115,421	120,291	
13	plus								
14	Assets Commissioned	7,493	6,281	5,473	12,274	13,336	7,628	11,350	
15	Gross Value of Vested Assets								
16	Assets Acquired from (Sold to) a Non-EDB								
17	<b>Asset Additions</b>	7,493	6,281	5,473	12,274	13,336	7,628	11,350	
18	plus								
19	<b>Indexed Revaluation</b>	2,274	2,866	2,305	3,170	3,104	2,362	5,373	
20	less								
21	Depreciation of System Fixed Assets	3,996	4,144	4,245	4,433	4,620	4,726	5,149	
22	Regulatory Value of Assets Decommissioned	1,125	532	252	651	942	394	407	
23	<b>Regulatory Depreciation (incl. value of assets decommissioned)</b>	5,121	4,676	4,496	5,084	5,562	5,120	5,555	
24	plus (minus)								
25	Acquisition of System Fixed Assets from another EDB	-	-	-	-	-	-	-	
26	less Sale of System Fixed Assets to another EDB	-	-	-	-	-	-	-	
27	<b>Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB</b>	-	-	-	-	-	-	-	
28	plus (minus)								
29	<b>Net Increase (Decrease) Due to Changes in Asset Register Information</b>								
30									
31									
32									
33	<b>Regulatory Value of System Fixed Assets at Year End</b>	86,430	90,900	94,182	104,543	115,421	120,291	131,458	
34									
35	<b>Non-System Fixed Assets</b>								
36	Regulatory value at end of previous year	26	52	709	747	1,284	891	518	
37	plus								
38	Asset Additions	47	788	311	1,071	180	218	261	
39	plus Revaluations								
40	less Depreciation (incl. value of assets decommissioned)	21	131	273	534	573	591	178	
41	plus Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-	-	-	-	
42	<b>Regulatory Value of Non-System Fixed Assets at Year end</b>	52	709	747	1,284	891	518	601	
43									
44									
45	<b>Total Regulatory Asset Base Value (excluding FDC)</b>	86,482	91,609	94,929	105,827	116,312	120,809	132,059	
46									
47									
48	* The commencing figure for completing this schedule is the most recent ODV value								
49	Note: Additional columns to be added if required								

Notes to Annual Regulatory Valuation Roll-forward Report								
57	<b>AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets</b>							
58	CPI as at date of ODV		928					
59								
60	For Year Ended	2005	2006	2007	2008	2009	2010	2011
61	CPI at CPI reference date	953	985	1010	1044	1075	1097	1146
62	Revaluation Rate	2.78%	3.32%	2.54%	3.37%	2.97%	2.05%	4.47%
63								
64	System Fixed Assets: Regulatory Value at End of Previous Year	81,784	86,430	90,900	94,182	104,543	115,421	120,291
65	Indexed Revaluation of System Fixed Assets	2,274	2,866	2,305	3,170	3,104	2,362	5,373
66								
67								
68	<b>AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another EDB</b>							
69	For Year Ended	2005	2006	2007	2008	2009	2010	2011
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							

## Notes:

The *Regulatory Value of Assets Decommissioned* (line 22) comprises of transformers and conductor. Alpine Energy management is of the view that these categories represent the material disposals during the 2012 disclosure year.



AV2 – REGULATORY VALUATION DISCLOSURE BY ASSET CLASS

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

ref	Electricity Distribution Business: <b>Alpine Energy</b>									
6								For Year Ended: <b>2012</b>		
7										
8										
9										
10	<b>Subtotals by Asset Class (for System Fixed Assets)</b>							(\$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 (per AV1)		
11	<b>System Fixed Assets</b>									
12										
13	Regulatory Value of System Fixed Assets (as per most recent ODV)	6,446	5,817	27,488	21,835	14,762	5,052	384	81,784	from AV1
14										
15	<b>Cumulative roll-forward since most recent ODV:</b>									
16	Asset Additions							71,702	from AV1	
17	Indexed Revaluation (of System Fixed Assets)							23,519	from AV1	
18	less Regulatory Depreciation (of System Fixed Assets)							41,207	from AV1	
19	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB							-	from AV1	
20	Net Increase (Decrease) Due to Changes in Asset Register Information							-	from AV1	
21	<b>Regulatory Value of System Fixed Assets at Year End</b>							<b>135,798</b>	from AV1	

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

<b>REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT</b>			
ref	Electricity Distribution Business:	Alpine 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	293,398	
9			
10	Asset Additions	7,868	AV3a
11	Indexed Revaluation (of System Fixed Assets)	4,608	
12	less Replacement Cost of Assets Decommissioned	869	
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>305,005</b>	
16			
17			
18	<b>System Fixed Assets - Depreciated Replacement Cost</b>		
19			
20	Depreciated Replacement Cost at end of previous year	133,672	
21			
22	Asset Additions	7,868	AV3a
23	Indexed Revaluation (of System Fixed Assets)	2,100	
24	less Depreciation of Replacement Cost	5,390	
25	less Depreciated Replacement Cost of Assets Decommissioned	203	
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>138,047</b>	

**REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)****Notes to Price and Quality Measures**

36	<b>AV3a: New Asset Additions</b>		
37			
38	Asset Additions - Depreciated Replacement Cost	7,868	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>7,868</b>	
42			

AV4 – BUSINESS MERGER, ACQUISITION OR SALE – REGULATORY ASSET BASE DISCLOSURE

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

Electricity Distribution Business: Alpine Energy Limited

ref

6 **Disclosure required? (YES or NIL DISCLOSURE):** NO DISCLOSURE REQUIRED

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
13 Replacement Cost (RC)								-
14 less Depreciation								-
15 <b>Depreciated Replacement Cost (DRC)</b>	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								-
17 <b>Optimised Depreciated Replacement Cost (ODRC)</b>	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								-
19 <b>Most recent ODV value</b>	-	-	-	-	-	-	-	-

20

21

22

23

24

25

26 **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)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		-
28 <b>Cumulative roll-forward since most recent ODV:</b>			
29 Asset Additions			
30 Indexed Revaluation (of System Fixed Assets)			
31 less Regulatory Depreciation (of System Fixed Assets)			
32 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
33 Net Increase (Decrease) due to Changes in Asset Register Information			
34 <b>RAB Value of Transferred Assets at Transfer Date</b>	-		-
35 Acquisition of Assets from Another EDB	-	-	to AV1
36 Sale of Assets to Another EDB	-	-	to AV1
37 RAB Value of Transferred Assets at Transfer Date	-		
38 "p" factor (proportion of year following transfer of assets)	0%		
39 <b>Adjustment for merger, acquisition or sale to another EDB</b>		-	to FS2

40

41

42

43

44

45

46

47 **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
48 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC	-	-
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC	-	-

50

51

52

53 Signed by: Selling Entity

54

55 Acquiring Entity

56

57

MP1 – NETWORK INFORMATION

REPORT MP1: NETWORK INFORMATION		Electricity Distribution Business: <b>Alpine Energy Limited</b>	
(Separate report required for each Non-Contiguous Network)		For Year Ended: <b>2012</b>	
ref			
6			
7	Network Name: <b>Alpine Energy Limited</b>	(enter "Total Business" or name of network)	
8	Disclosure: <b>Annual Disclosure - Requirement 6(1)</b>		
9			
10	<b>Circuit Length by Operating Line Voltage (at year end)</b>	<b>Overhead (km)</b>	<b>Underground (km)</b>
11			<b>Total (km)</b>
12	> 66kV	-	-
13	50kV & 66kV	-	-
14	33kV	203	40
15	SWER (all SWER voltages)	-	-
16	22kV (other than SWER)	144	1
17	6.6kV to 11kV (inclusive - other than SWER)	2,734	325
18	Low Voltage (< 1kV)	381	324
19	<b>Total circuit length (for Supply)</b>	<b>3,462</b>	<b>690</b>
20			<b>4,152</b>
21			to MP2
22	<b>Dedicated Street Lighting Circuit Length</b>	-	-
23			
24	<b>Overhead Circuit Length by Terrain (at year end)</b>	<b>(km)</b>	<b>(%)</b>
25	Urban (only)	318	9%
26	Rural (only)	3,048	88%
27	Remote (only)	-	0%
28	Rugged (only)	96	3%
29	Rural & rugged (only)	-	0%
30	Remote & rugged (only)	-	0%
31	Unallocated overhead lines	-	0%
32	<b>Total overhead length</b>	<b>3,462</b>	<b>100%</b>
33			
34	<b>Transformer capacity (at year end)</b>		<b>Previous Year</b>
35	Distribution Transformer Capacity (EDB Owned)	387 MVA	371
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	88 MVA	88
37	<b>Total Distribution Transformer Capacity</b>	<b>475 MVA (to MP2)</b>	<b>459</b>
38			
39	Zone Substation Transformer Capacity	248 MVA	248
40			
41	<b>System Fixed Assets age (at year end)</b>		
42	Average Age of System Fixed Assets	26 Years	
43	Average Expected Total Life of System Fixed Assets	48 Years	
44	Average Age as a Proportion of Average Expected Total Life	55%	
45			
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	20%	
47			
48			
49			
50			
51	<b>Electricity demand</b>	<b>Maximum coincident system demand (MW)</b>	<b>Non-coincident Sum of maximum demands (MW)</b>
52			
53	<b>GXP Demand</b>	112	138
54	plus Embedded Generation Output at HV and Above	6	
55	<b>Maximum System Demand</b>	118	
56	less Net Transfers to (from) Other EDBs at HV and Above	1	
57	<b>Demand on system for supply to customers' Connection Points</b>	118	
58	less Subtransmission Customers' Connection Point Demand	-	-
59	<b>Maximum Distribution Transformer Demand</b>	118	
60			to MP2
61	GXP Demand not Supplied at Subtransmission Level	64	
62	Embedded Generation Output - Connected to Subtransmission System	6	6
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>	-	
66			
67	<b>Five-Year System Maximum Demand Growth Forecast</b>	7.8 % p.a.	
68			
69	<b>Electricity volumes carried</b>	<b>(GWh)</b>	
70	Electricity Supplied from GXPs	698	
71	less Electricity Exports to GXPs	15	
72	plus Electricity Supplied from Embedded Generators	25	
73	less Net Electricity Supplied to (from) Other EDBs	-	
74	<b>Electricity entering system for supply to customers' Connection Points</b>	708	
75	less Electricity Supplied to Customers' Connection Points	677	
76	<b>Electricity Losses (loss ratio)</b>	32	4.4%
77			to MP2
78	Electricity Supplied to Customers' Connection Points	677	
79	less Electricity Supplied to Largest 5 Connection Points	176	
80	<b>Electricity supplied other than to Largest 5 Connection Points</b>	501	74%
81			
82	<b>Load Factor</b>	69%	
83			
84	<b>Number of Connection Points (at year end)</b>	31,018 ICPS	to MP2
85			
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)	163 MWh/km	
89	Connection Point Density (ICPs / Total circuit length)	7 ICP/km	
90	Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	21,821 kWh/ICP	

## Notes:

Line 17 includes 7.2 km of 6.6 kV underground SWER.

The *Distribution Transformer Capacity (EDB Owned)* (row 35) rating does not include uplift due to oil, air or other operating cooling mechanisms. Uplift information was not recorded in our asset management as uplift was not considered to be significant across all our installed transformers.

The *Estimated Portion of Assets within 10 years of Total Life* (line 46) is based on the age and replacement costs of subtransmission, distribution, and low voltage lines and cables, and distribution transformers. It is assumed that the remaining system fixed asset categories have similar age and replacement cost profile.

The *Time of System Maximum Demand* (row 55) was at trading period 19, on 14 October 2012. It is estimated that load control was 3.84% during the System Maximum Demand.

## MP2 – PERFORMANCE MEASURES

REPORT MP2: PERFORMANCE MEASURES						
ref	Electricity Distribution Business:	Alpine Energy Limited				
		For Year Ended: 2012				
5						
6	<b>Performance comparators</b>					
7		<b>Previous Years:</b>			<b>Current Financial Year</b>	
8		<b>Current Yr - 3</b>	<b>Current Yr - 2</b>	<b>Current Yr - 1</b>		
9	<b>Operational expenditure ratio</b>					
10	Total Operational Expenditure	8	10	12	13 \$m from FS1	
11	Replacement Cost of System Fixed Assets (at year end*)	259	271	293	305 \$m from AV3	
12	<b>Ratio (%)</b>	3.09%	3.79%	4.11%	<b>4.12%</b> %	
13						
14	<b>Capital expenditure ratio</b>					
15	Total Capital Expenditure on System Fixed Assets	10	12	15	18 \$m from FS2	
16	Replacement Cost of System Fixed Assets (at year end*)	259	271	293	305 \$m from AV3	
17	<b>Ratio (%)</b>	3.86%	4.29%	5.01%	<b>5.92%</b> %	
18						
19	<b>Capital expenditure growth ratio</b>					
20	Capital Expenditure: Customer Connection and System Growth	-	9	11	15 \$m from FS2	
21	Change in Total Distribution Transformer Capacity	17	11	3	16 MVA from MP1	
22	<b>\$/kVA</b>	-	829	3,749	<b>965</b> \$/kVA	
23						
24	<b>Renewal expenditure ratio</b>					
25	Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal	-	2	3	3 \$m from FS1 & 2	
26	Regulatory Depreciation of System Fixed Assets	6	5	6	6 \$m from AV1	
27	<b>Ratio (%)</b>	0.00%	46.20%	54.07%	<b>48.12%</b> %	
28						
29	<b>Distribution Transformer Capacity Utilisation</b>					
30	Maximum Distribution Transformer Demand	130	123	122	118 MW from MP1	
31	Total Distribution Transformer Capacity (at year end*)	445	456	459	475 kVA from MP1	
32	<b>Ratio (%)</b>	29.21%	26.97%	26.56%	<b>24.83%</b> %	
33						
34	<b>Return on Investment</b>					
35	Regulatory Profit / Loss (pre-financing and distributions)	14	11	12	9 \$m from FS1	
36	less Interest Tax Shield Adjustment	1	1	1	1 \$m from FS3	
37	Adjusted Regulatory Profit	13	10	11	9 \$m	
38	Regulatory Investment Value	115	123	130	139 \$m from FS2	
39	<b>Ratio (%)</b>	11.30%	8.01%	8.51%	<b>6.15%</b> %	
40						
41						
42	<b>Expenditure comparison table</b>					
43						
44		<b>Expenditure metrics (\$ per):</b>				
45		<b>Total circuit length (for Supply) (\$/km)</b>	<b>Electricity Supplied to Customers' Connection Points (\$/MWh)</b>	<b>Maximum coincident system demand (\$/MW)</b>	<b>Distribution Transformer Capacity (EDB-Owned) (\$/MVA)</b>	
46				<b>Connection Point (\$/ICP)</b>		
47	<b>Capital Expenditure (\$)</b> per	4,391	27	153,983	588	47,099 from FS2 & MP1
48	<b>Operational Expenditure (\$)</b> per	3,026	19	106,114	405	32,457 from FS1 & MP1
49						

\* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.

MP3 – PRICE AND QUALITY MEASURES

ref	Electricity Distribution Business: <b>Alpine Energy Limited</b>		For Year Ended: <b>2012</b>		
6					
7	Network Name:	<b>Alpine Energy Limited</b>			
9	Disclosure:	<b>Annual Disclosure - Requirement 6(1)</b>			
10	<b>QUALITY</b>				
12	<b>Interruptions</b>				
13	<b>Interruptions by class</b>				
14	Class A	3	planned interruptions by Transpower		
15	Class B	239	planned interruptions on the network		
16	Class C	150	unplanned interruptions on the network		
17	Class D	4	unplanned interruptions by Transpower		
18	Class E	-	unplanned interruptions of network owned generation		
19	Class F	-	unplanned interruptions of generation (non-network)		
20	Class G	-	unplanned interruptions caused by other electricity industry participant		
21	Class H	-	planned interruptions caused by other electricity industry participant		
22	<b>Total</b>	<b>396</b>	<b>Total of above</b>		
24	<b>Interruption targets for Forecast Year</b>				
25	Class B	2013	Current Financial Year +1		
26	Class C	184	planned interruptions on the network		
27		144	unplanned interruptions on the network		
28	<b>Average interruption targets for 5 Forecast Years</b>				
29	Class B	2013-2017	Current Financial Year +1 to +5		
30	Class C	160	planned interruptions on the network		
31		130	unplanned interruptions on the network		
32	<b>Class C interruptions restored within</b>				
33		≤3Hrs	>3hrs		
34		94	56		
35	<b>Faults</b>				
36	<b>Faults per 100 circuit kilometres</b>				
37	The total number of faults for Current Financial Year	3.49	in year 2012		
38	The total number of faults forecast for the Forecast Year	4.70	in year 2013		
39	The average annual number of faults forecast for the 5 Forecast Years	4.00	average over years 2013-2017		
40	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>				
41		6.6kV & 11kV non-SW	22kV non-SW		
42		SWER	SWER		
43		33kV	50kV & 66kV		
44		>66kV			
45	Is this voltage part of the EDB system?	Yes	No		
46	Current Financial Year	4.41	5.52		
47	Forecast Year	5.20	4.20		
48	Average annual for 5 Forecast Years	5.00	4.00		
49	<b>Fault Information per 100 circuit kilometres by Voltage and Type</b>				
50		6.6kV & 11kV non-SW	22kV non-SW		
51		SWER	SWER		
52		33kV	50kV & 66kV		
53		>66kV			
54	Underground	1.85	-		
55	Overhead	4.72	-		
56			0.99		
57	<b>Reliability</b>				
58	<b>Overall reliability</b>				
59	Based on the total number of interruptions	SAIDI	SAIFI		
60		161.60	1.26		
61			CAIDI		
62			128.14		
63	<b>Reliability by interruption class</b>				
64	Class B	SAIDI	SAIFI		
65	Class C	54.30	0.25		
66		107.30	1.01		
67			CAIDI		
68			214.29		
69			106.48		
70	<b>Targets for Forecast Year</b>				
71	Class B	SAIDI	SAIFI		
72	Class C	52.00	0.30		
73		112.00	1.39		
74			CAIDI		
75			173.33		
76			80.58		
77	<b>Average targets for 5 Forecast Years</b>				
78	Class B	SAIDI	SAIFI		
79	Class C	52.00	0.30		
80		112.00	1.39		
81			CAIDI		
82			173.33		
83			80.58		
84	<b>PRICES</b>				
85	<b>Price information by Connection Point Class</b>				
86	<b>Connection Point Class</b>				
87		Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points
88					Total
89	Gross line charge income (\$000)	2,259	22,878	4,777	3,844
90	Electricity Supplied to Customers' Connection Points (MWh)	35,026	340,621	125,390	175,795
91	Number of Connection Points (ICPs) at year end	6,654	24,217	142	5
92	Unit Price (cents/kWh)	6.5	6.7	3.8	2.2
93	Relative Unit Price Index	1.00	1.04	0.59	0.34
94					0.77

<b>REPORT MP3: PRICE AND QUALITY (cont)</b>	
<b>Notes to Price and Quality Measures</b>	
89	<b>MP3a: Connection Point Class breakpoints</b>
90	
91	<b>Connection Point Class breakpoints methodology</b> <input type="text" value="Select one"/>
92	
93	<b>kVA based breakpoints - additional disclosure</b>
94	Breakpoint between small and medium classes <input type="text"/> kVA
95	Breakpoint between large and medium classes <input type="text"/> kVA
96	

Notes:

The *Interruption Targets for Forecast Year* (at lines 62 and 63) and *Average targets for 5 Forecast Years* (at lines 66 and 67) are based on: actual performance in the six months historical information—April 2012 to September 2012 and the project planned interruptions for the six months—October 2012 to March 2013; and previous forecast.

Alpine Energy currently reconciles all customer volumes at the Transpower GXP level and not at the ICP level, except for Time of Use (TOU) customers which have metering that records half hour data records. Alpine Energy uses information received from retailers to determine the electricity supplied to low user consumers. Consequently, Alpine Energy sought an exemption from the requirement to disclose connection point class pricing for the Requirements.

The Commerce Commission granted a partial exemption in 2008 and requested the information be provided on the basis of TOU and LOW data that is known, and that the Medium Class be the remainder. The same methodology has been used for the grouping of customers into the classes (listed below) for subsequent disclosures, including the 2012 Information Disclosure.

The connection point classes have been derived on the basis set out in the Commerce Commission’s 2008 request, as follows:

- small—comprises of LOW users
- medium—is the remainder of connected customers (which also includes some large Assessed Capacity sites)
- large—includes all TOU Customers, except the largest
- 5 largest—includes 5 ICPs for 4 customers (one customer has two ICPs in the top 5).

For sites in the medium grouping, no individual consumption information is available, so consumption information is determined using the National Reconciliation Manager’s (NRM) Non-half hour (NHH) consumption minus the LOW users (for which Retailers provide monthly consumption information).

The LOW consumption information has no breakdown between day and night consumption. In terms of determining the line charge income for small and medium sites, the assumption has been made that the proportion of day/night usage for LOW sites is in line with the proportion for the day/night usage for all NHH sites.

Invoice items have been extracted out of the billing system per load group and these values have been pro-rated to the *Gross Line Charge Income* (FS1, row F10).

The connection point class breakpoints have been defined on the basis of load groups. There is considerable over-lap in terms of kVA or kW ratings between load groups. LOW users typically have the same 15kVA rating as other domestic users. TOU consumers in the large category have maximum demands ranging from 8 to 4,352 kW, while ASS customers in the medium category have assessed demands ranging from 5 to 1,347 kW.



AM1 – EXPENDITURE FORECASTS AND RECONCILIATION

REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION						
ref		Electricity Distribution Business: <b>Alpine Energy</b>				
5		For Year Ended <b>2012</b>				
6	<b>A) Five year forecasts of expenditure</b>	<b>(\$'000)</b>				
7	<i>From most recent Asset Management Plan</i>	<b>Forecast Years</b>				
8		<b>Actual for Current Financial Year</b>	<b>year 1</b>	<b>year 2</b>	<b>year 3</b>	<b>year 4</b>
9	<i>for year ended</i>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
10	Capital Expenditure: Customer Connection	2,660	2,250	2,250	2,150	2,250
11	Capital Expenditure: System Growth	12,550	6,339	7,097	9,632	4,682
12	Capital Expenditure: Reliability, Safety and Environment	798	5,516	1,750	1,043	743
13	Capital Expenditure: Asset Replacement and Renewal	2,048	2,325	2,380	1,380	600
14	Capital Expenditure: Asset Relocations	-	-	-	-	-
15	<b>Subtotal - Capital Expenditure on asset management</b>	<b>18,056</b>	<b>16,430</b>	<b>13,477</b>	<b>14,205</b>	<b>8,843</b>
16						
17	Operational Expenditure: Routine and Preventative Maintenance	2,280	2,632	2,758	2,857	2,942
18	Operational Expenditure: Refurbishment and Renewal Maintenance	643	1,571	1,648	1,726	1,787
19	Operational Expenditure: Fault and Emergency Maintenance	1,170	1,150	1,216	1,263	1,292
20	<b>Subtotal - Operational Expenditure on asset management</b>	<b>4,094</b>	<b>5,353</b>	<b>5,622</b>	<b>5,846</b>	<b>6,141</b>
21						
22	<b>Total direct expenditure on distribution network</b>	<b>22,150</b>	<b>21,783</b>	<b>19,099</b>	<b>20,051</b>	<b>14,984</b>
23						
24	<b>Overhead to Underground Conversion Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
25						
26	<i>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).</i>	Alpine Energy reported forecast expenditure of \$455k for the 2012/13 in both our 2011 information disclosures and 2012-2022 asset management plan. However, following on from the Canterbury Earthquakes Alpine Energy has stopped the undergrounding of distribution lines. Accordingly, there was no expenditure in 2011/12 and the revised 5-year forecast is zero.				
27						
28						
29						
30	<b>B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure</b>					
31		<b>Actual for Current Financial Year</b>	<b>Previous forecast for Current Financial Year</b>	<b>% Variance</b>		
32		<b>Year (a)</b>	<b>Year (b)</b>	<b>(a)/(b)-1</b>		
33						
34	Capital Expenditure: Customer Connection	2,660	2,298	15.8%		from row 10
35	Capital Expenditure: System Growth	12,550	13,894	-9.7%		from row 11
36	Capital Expenditure: Reliability, Safety and Environment	798	2,073	-61.5%		from row 12
37	Capital Expenditure: Asset Replacement and Renewal	2,048	2,303	-11.1%		from row 13
38	Capital Expenditure: Asset Relocations	-	-	Not defined		from row 14
39	<b>Subtotal - Capital Expenditure on asset management</b>	<b>18,056</b>	<b>20,568</b>	<b>-12.2%</b>		
40						
41	Operational Expenditure: Routine and Preventative Maintenance	2,280	2,273	0.3%		from row 17
42	Operational Expenditure: Refurbishment and Renewal Maintenance	643	757	-15.0%		from row 18
43	Operational Expenditure: Fault and Emergency Maintenance	1,170	2,020	-42.1%		from row 19
44	<b>Subtotal - Operational Expenditure on asset management</b>	<b>4,094</b>	<b>5,050</b>	<b>-18.9%</b>		
45						
46	<b>Total direct expenditure on distribution network</b>	<b>22,150</b>	<b>25,618</b>	<b>-13.5%</b>		
47						
48						
49	<b>Explanation of variances</b>					
50	<i>Distribution Business must provide a brief explanation for any line item variance of more than 10%</i>					
51						
52	<i>Explanatory notes (can be provided in a separate note if necessary):</i>	The overspend in customer connections is the result of a higher number of customer connections during 2012 than what was budgeted, mainly in large scale irrigation projects.				
53		The underspend in reliability, safety and environment is primarily due to forecast expenditure of \$800k, for ripple plants in Timaru, being delayed until after 1 April 2012 to allow Transpower additional time to complete its change out of its switchboard.				
54		The underspend in replacement and renewal is mainly due to the prioritisation of resources to the design and construction of smaller, higher priority, projects.				
55		The underspend in fault and emergency maintenance expenditure relates directly to improved performance of the network. Performance improved from 225 SAIDI minutes in 2010/11 to 161 SAIDI minutes in 2011/12. Fault and emergency maintenance expenditure in any given period is driven by the number, and severity, of network emergencies that we experience during a that period.				
56		The underspend in refurbishment and renewal maintenance is predominately due to the reprioritisation of projects within our CAPEX program to effectively assign resources.				
57						
58						
59						
60						
61						
62						
63						

**RELATED PARTY NOTE****Associated Entity:** NetCon Limited (excl GST)

NetCon is 100% owned by Alpine Energy and provided asset maintenance and construction services for the network from 1 April 2011 to 31 March 2012. Services were charged on either a fixed price basis, or 'time and materials' basis.

During the period, total related party expenditure totalled \$12,692,744 (in 2011 total related party expenditure reported was \$10,609,408). The outstanding amount as at 31 March 2012 was \$1,441,236 payable on normal commercial terms (in 2011 the total outstanding amount reported was \$1,596,873).

No debts were written off or forgiven and no transactions took place at nil or nominal value.

Table 2 below, itemises the capital construction transactions during 2011 and 2012:

**Table 2: Capital construction transactions for the years ending 31 March**

	<b>2012 \$`000</b>	<b>2011 \$`000</b>
<i>Asset Construction:</i>		
Subtransmission assets	1,943	100
Zone Substations	981	2,346
Distribution and LV Lines	1,880	719
Distribution and LV Cables	2,037	1,957
Distribution Substations and Transformers	70	39
Distribution Switchgear	448	588
Other System Fixed Assets (as per the ODV Handbook)	1	0
Maintenance of Assets	5,334	4,860



## ***Auditor's Independent Assurance Report***

### ***To the Readers of Alpine Energy Limited's Report for the Financial Year Ended 31 March 2012 regarding Alpine Energy Limited's Compliance with the Electricity Distribution (Information Disclosure) Requirements 2008***

The Auditor-General is the auditor of Alpine Energy Limited (the company). The Auditor-General has appointed me, Mark Bramley, using the staff and resources of PricewaterhouseCoopers, to provide an opinion, on her behalf, on the company's report for the financial year ended 31 March 2012 on pages 4 to 18 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 assurance report has been prepared solely to discharge the Auditor-General's responsibilities under the Requirements for the financial year ended 31 March 2012. This independent assurance report is not intended to be used for any purposes, 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 statement 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 opinions on the financial statements and default price-quality path compliance statements of the company for the year ended 31 March 2012 were unqualified and were dated 25 June 2012 and 14 June 2012 respectively.

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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 not audited under the financial statement audit 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.

In addition to the engagement, we have performed other audit assignments for the company. This involved issuing an audit opinion on the annual financial statements on behalf of the Auditor-General, and independent assurance opinions on the Electricity Distribution Default Price-Quality Path statement and information provided in response to the S53ZD information request. We have also provided other professional advisory services to the company. These assignments were compatible with the Auditor-General's independence requirements. Other than these assignments, we have no relationship with or interests in the company or any of its subsidiaries.

**Opinion**

We have obtained all the information and explanations we have required.

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; and
- the disclosure information prepared by the company for the financial year ended 31 March 2012 complies with the Requirements.



*Historical Financial and Non-Financial 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 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.

A handwritten signature in blue ink that reads 'Mark Bramley'.

Mark Bramley  
On behalf of the Auditor-General  
Christchurch, New Zealand

PricewaterhouseCoopers

20 December 2012

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**DIRECTORS CERTIFICATE****CERTIFICATE FOR DISCLOSED INFORMATION**

We, Warren Arthur Larsen and Alister John France, directors of Alpine Energy Limited certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of Alpine Energy Limited 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:

FS1 – Regulatory Profit Statement

FS2 – Regulatory Asset and Financing Statement

FS3 – Regulatory Tax Allowance Calculation

AV1 – Annual Regulatory Valuation Roll-Forward Report

AV2 – Regulatory Valuation Disclosure by Asset Class

AV3 – System Fixed Assets Replacement Cost Roll-Forward Report

AV4 – Business Merger, Acquisition or Sale – Regulatory Asset Base Disclosure

MP1 – Network Information

MP2 – Performance Measures

MP3 – Price and Quality Measures

AM1 – Expenditure Forecasts and Reconciliation



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Warren Larsen  
Director



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Alister John France  
Director

20 December 2012

18 December 2012