SCHEDULE 14a

Company name Alpine Energy Limited

For Year Ended 31 March 2018

Schedule 14a Mandatory Explanatory Notes of Forecast Information

(In this Schedule, clause references are to the Electricity Distribution Information Disclosure Determination 2012 (consolidated April 2018))

This Schedule provides for EDBs to provide explanatory notes to reports prepared in accordance with clause 2.6.5.

This Schedule is mandatory—EDBs must provide the explanatory comment specified below, in accordance with clause 2.7.2. This information is part of the audited disclosure information, and so is not subject to the assurance requirements specified in Section 2.8.

Commentary on difference between nominal and constant price capital expenditure forecasts (Schedule 11a).

In the box below, comment on the difference between nominal and constant price capital expenditure for the disclosure year, as disclosed in Schedule 11a.

To derive the capital expenditure in nominal dollar terms, the constant price forecasts were inflated by approximately 2% per annum, on a straight line basis, based on New Zealand Treasury forecasts. To derive the 10 year forecast, 2% was selected as a conservative inflationary rate. Therefore the difference between nominal and constant expenditure forecasts is an inflationary impact of 2% per year.

Commentary on difference between nominal and constant prise operational expenditure forecasts (Schedule 11b).

In the box below, comment on the difference between nominal and constant price operational expenditure for the disclosure year, as disclosed in Schedule 11b.

To derive the operational expenditure in nominal terms, the constant price forecasts were inflated by approximately 2% per annum, on a straight line basis, based on New Zealand Treasury forecasts. To derive the 10 year forecast, 2% was selected as a conservative inflationary rate. Therefore the difference between nominal and constant expenditure forecasts is an inflationary impact of 2% per year. The real expenditure is reducing to reflect the expected efficiency gains per annum that will be found by improvements to our processes and practices. We expect to share realised benefits with consumers by reducing our operating expenditure, in real terms, over the next 10 years. Therefore the difference between nominal and constant operational expenditure forecasts is a reduction of 2% per year.