

REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

Electricity Distribution Business: **Waipa Networks**
 For Year Ended **2009**
 (\$000)

A) Five year forecasts of expenditure
 From most recent Asset Management Plan

Forecast Years

ref	for year ended	Actual for	Forecast Years					
		Current Financial Year	year 1	year 2	year 3	year 4	year 5	
		2009	2010	2011	2012	2013	2014	
10	Capital Expenditure: Customer Connection	-	2,675	2,675	2,675	2,675	2,675	from FS2
11	Capital Expenditure: System Growth	-	110	110	110	110	110	from FS2
12	Capital Expenditure: Reliability, Safety and Environment	-	1,154	603	603	603	603	from FS2
13	Capital Expenditure: Asset Replacement and Renewal	-	822	130	130	130	130	from FS2
14	Capital Expenditure: Asset Relocations	-	-	-	-	-	-	from FS2
15	Subtotal - Capital Expenditure on asset management	4,683	4,761	3,518	3,518	3,518	3,518	
17	Operational Expenditure: Routine and Preventative Maintenance	1,365	1,314	1,189	1,189	1,189	1,189	from FS1
18	Operational Expenditure: Refurbishment and Renewal Maintenance	192	133	126	126	126	126	from FS1
19	Operational Expenditure: Fault and Emergency Maintenance	531	429	429	429	429	429	from FS1
20	Subtotal - Operational Expenditure on asset management	2,088	1,876	1,744	1,744	1,744	1,744	
22	Total direct expenditure on distribution network	6,771	6,637	5,262	5,262	5,262	5,262	
24	Overhead to Underground Conversion Expenditure		-	-	-	-	-	

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).

B) Variance between Previous Forecast for the Current Financial Year, and Actual Expenditure

ref	Actual for Current Financial Year	Previous forecast for Current Financial Year	% Variance (a)/(b)-1	
	(a)	(b)		
34	Capital Expenditure: Customer Connection	-	Not defined	from row 10
35	Capital Expenditure: System Growth	-	Not defined	from row 11
36	Capital Expenditure: Asset Replacement and Renewal	-	Not defined	from row 12
38	Capital Expenditure: Reliability, Safety and Environment	-	Not defined	from row 13
38	Capital Expenditure: Asset Relocations	-	Not defined	from row 14
39	Subtotal - Capital Expenditure on asset management	4,683	Not defined	
41	Operational Expenditure: Routine and Preventative Maintenance	1,365	Not defined	from row 17
42	Operational Expenditure: Refurbishment and Renewal Maintenance	192	Not defined	from row 18
43	Operational Expenditure: Fault and Emergency Maintenance	531	Not defined	from row 19
44	Subtotal - Operational Expenditure on asset management	2,088	Not defined	
46	Total direct expenditure on distribution network	6,771	-	Not defined

Explanation of variances

Distribution Business must provide a brief explanation for any line item variance of more than 10%

Explanatory notes (can be provided in a separate note if necessary):