

GAS DPP RESET 2017 - QUESTIONS FOR SUPPLIER EVIDENCE STAGE OF FORECASTING EXPENDITURE PROCESS

1. With reference to Vector's 2016 AMP forecast material and historical Vector ID information, the following information is requested from Vector:
 - 1.1 An explanation for increases in Vector's non-network expenditure forecast as the Vector 2016 AMP does not fully explain these increases.
 - 1.2 An explanation for Vector's opex over-forecast variances with historical actual expenditure. We have noted that when 2014 and 2015 actual total opex expenditure is compared with what was forecast there is a significant difference. We are looking for reassurance that there is no systematic over-forecasting occurring in this expenditure category.
 - 1.3 An explanation for why there is an absence of expenditure in the replacement and renewal opex category of Vector's forecast information.
 - 1.4 An explanation for why Vector's non-network capex is set to increase despite the sale of the non-Auckland gas distribution network.
 - 1.5 An explanation for Vector's capex over-forecast variance with historical actual expenditure. We have noted that when 2015 actual total capex expenditure is compared with what was forecast there is a significant difference.