Table 29 Independent verification report – Asset health

Table 29 provides our high level 'scorecard' of Transpower's asset health and condition assessment practices across its major asset classes. It presents two dimensions of scoring based on numbering and colour coding scales across four assessment variables, to provide both an indication of the current status of Transpower's asset health practices and identify priority areas for improvement.

Numbering scale

Indicates our level of confidence and/or maturity in Transpower's data quality and model development across each identified assessment variable (ie Data Confidence, Asset Health Modelling, Criticality Modelling and Investment/Risk Forecasting) by major asset class, with ascending scores (from 1 to 5) indicating greater confidence/maturity.

Colour coding scale

Indicates the importance/concern that we consider should be placed on the confidence/maturity numbered scores by asset class, including having regard to impact on overall base capex forecast accuracy and suitability of an asset class for asset health modelling.

The asset classes with light green and dark green fills, generally reflect significant expenditure categories in base capex and/or are what we consider are the most critical asset classes, such that they will deliver the largest benefits from an asset management and expenditure forecasting perspective.

Interpretation of scores

Key takeaways from the scorecard scores are as follows

- Asset classes where further improvement is required for one or more of the assessment variables (represented by low numbered scores and red fill) eg data quality for reactive assets.

- Asset classes that indicate strong confidence/maturity across all assessment variables (represented by high numbered scores and green fill) eg insulators, transmission line conductors, tower protective coating.

- Asset classes that are not well suited to asset health modelling eg HVDC assets

In terms of interpretation of the colour fills, we suggest the following refinements for the two most favourable fills:

- Light green fill – Level of Confidence or Maturity: Well developed with a high level of benefits being achieved.

- Dark green fill – Level of Confidence or Maturity: High and ongoing significant benefits being achieved.