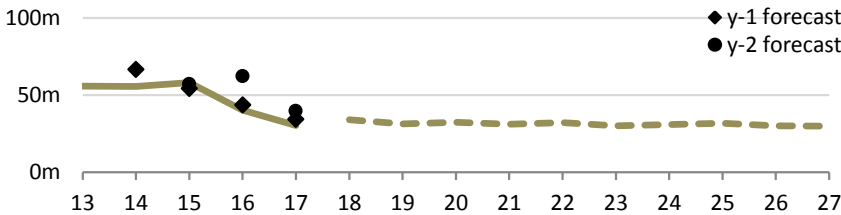


## Summary statistics

	2017 value	5 year trend	3 year CAGR	Rank
Regulatory asset base	\$530m		+2.9%	6
Regulatory profit	\$35.6m		+4.7%	6
Return on investment	7.39%			18
Line charge revenue	\$105.5m		+3.7%	6
Other income	\$5.4m		+8.0%	1
Customer connections	89,080		+1.3%	6
Energy delivered	1,219 GWh		+0.5%	7
Peak demand	273 MW		-1.6%	7
Network capacity	917 MVA		+3.3%	7
Capital expenditure	\$30.2m		-18.5%	6
Operating expenditure	\$25.5m		+9.7%	7
Capital contributions	\$6.7m		+2.3%	5
Related party transactions	\$15.2m			10
Line length	5,367km		+0.8%	8
Outages - SAIDI	102 minutes		+3.8%	6
Outages - SAIFI	1.48 faults		+2.6%	10

## Capital expenditure



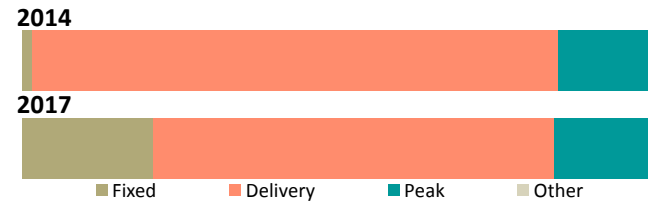
### 3 year ratios

Total capex / asset base	Total capex / connections	Total capex / depreciation
8.4% Rank: 19	\$488 Rank: 21	2.14 Rank: 20

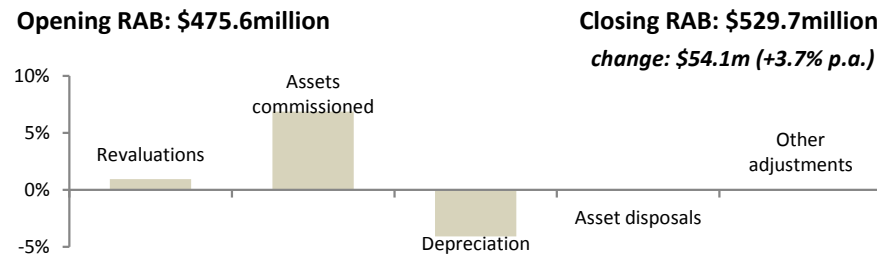
Capex by expenditure category	Average (2015-2017)	5 year trend	% of capex
Consumer connection	\$12.1m		28.2%
Asset replacement & renewal	\$11.9m		27.8%
System growth	\$10.3m		23.9%
Non-network assets	\$3.5m		8.2%
Asset relocations	\$2.7m		6.4%
Reliability, safety & environment	\$2.4m		5.5%
Total capital expenditure	\$42.9m		100.0%
Related party transactions	\$2.0m		4.7%

## Line charge revenues

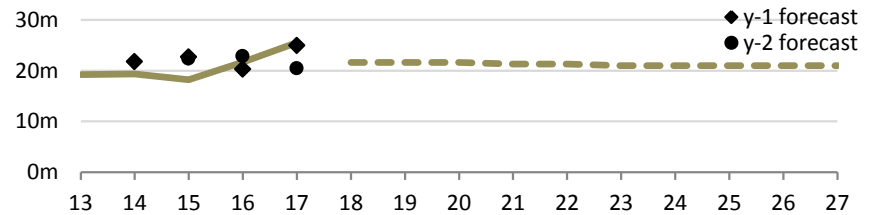
	Proportion of revenue	Charges per unit	Rank
Average daily charge	20.9%	66.0¢/ICP	16
Delivery (kWh)	64.2%	5.4¢/kWh	18
Peak based	15.0%	\$56/kW	15



## Annualised RAB changes (2015-2017)



## Operating expenditure



### 3 year ratios

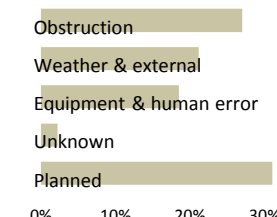
Network opex / metre of line	Non-network opex / connections	Total opex / kW
\$1.18 Rank: 10	\$177 Rank: 13	\$84 Rank: 9

Opex by expenditure category	Average (2015-2017)	5 year trend	% of opex
Business support	\$9.7m		44.3%
System operations & network support	\$5.9m		26.9%
Service interruptions & emergencies	\$2.3m		10.6%
Routine & corrective maintenance	\$1.6m		7.1%
Vegetation management	\$1.2m		5.6%
Asset replacement & renewal	\$1.2m		5.4%
Total operating expenditure	\$21.8m		100.0%
Related party transactions	\$3.0m		14.0%

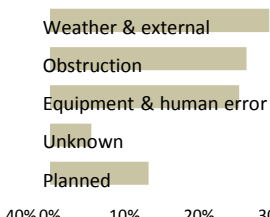
## Reliability

	Unplanned	Planned	Trend
Interruptions	559	476	↑
SAIDI	69.7	32.4	↑
SAIFI	1.29	0.19	↑
CAIDI	54.2	170.7	↑

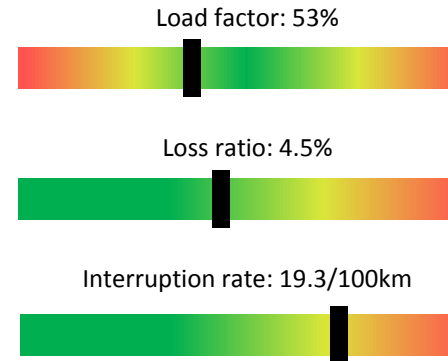
### SAIDI causes



### SAIFI causes



## Network ratios



## Company details

PQ Regulated?	No
CEO:	Garth Dibley
Ownership:	WEL Energy Trust
	0
Head Office:	114 Maui Street; Hamilton
Phone number:	07 850 3100
Website:	<a href="http://www.wel.co.nz">www.wel.co.nz</a>

## Lines and cables

Estimated state of the assets	Distribution & LV O/H lines	Distribution & LV U/G cables	Subtransmission lines and cables	Poles
Quantity	2,990km	1,939km	440km	39,394
RAB Value	\$102.6m	\$140.3m	\$78.6m	*
Average grade	3.34	3.70	3.68	3.40
Grade 1 / 2	13.0% / 6.2%	0.0% / 3.8%	0.2% / 0.6%	0.5% / 3.9%
Unknown grade	0.0%	0.0%	0.0%	10.0%
Average age	34 years	22 years	19 years	32 years
Over generic age	5km (0.2%)	65km (3.3%)	4km (0.9%)	454 (1.2%)
Unknown age	0.0%	0.0%	0.0%	0.0%
5yr replacement req (est)	16.1%	1.9%	0.5%	2.5%
5yr planned replacement	4.8%	0.3%	0.0%	3.8%
Forecast repex (ave)	\$7.5m +51%	\$1.2m +75%	\$0.1m -75%	*
Repex series				*

\* RAB and expenditure on poles is included within Distribution and LV lines

## Switchgear and transformers

Estimated state of the assets	Distribution transformers	Distribution switchgear	Zone-substation transformers	Zone-substation switchgear
Quantity	6,028	7,794	54	204
RAB Value	\$60.5m	\$27.5m	<----- \$72.1m ----->	
Average grade	3.64	3.21	3.38	3.69
Grade 1 / 2	0.3% / 2.7%	0.5% / 30.9%	0.0% / 27.1%	0.0% / 1.2%
Unknown grade	20.0%	11.9%	0.0%	0.0%
Average age	18 years	19 years	24 years	19 years
Over generic age	386 (6.4%)	1,735 (22.3%)	18 (33.0%)	44 (21.7%)
Unknown age	0.0%	0.0%	0.0%	0.0%
5yr replacement req (est)	1.7%	15.9%	13.5%	0.6%
5yr planned replacement	3.3%	5.2%	0.0%	0.0%
Forecast repex (ave)	\$0.9m -25%	\$1.6m +59%	\$0.4m -85%	
Repex series				