



**Information Disclosure prepared
According to Subpart 3 of the part
4A Commerce Act 1986**

**For the Assessment Period:
1 April 2007-31 March 2008**

Contents

	Page
I. Introduction	2
II. Schedules	
1. FS1 Regulatory Profit Statement	3-4
2. FS2-Regulatory Asset and Financing Statement	5
3. FS3-Regulatory Tax Allowance Calculation	6
4. AV1-Annual Regulatory Roll-Forward Report	7
5. AV2-Regulatory Valuation Disclosure by Asset Class	8
6. AV3-System Fixed Assets Replacement Cost Roll-Forward Report-2005-2008	9-12
7. AV4-Business Merger, Acquisition or sale-Regulatory Asset Base Disclosure	13
8. MP1-Network Information	14-15
9. MP2-Performance Measures	16
10. MP3-Price and Quality Measures	17-18
11. AM1-Expenditure Forecasts and Reconciliation	19
III. Transitional Provisions	
1. Efficiency Performance Measures	20
2. Energy Delivery Efficiency Performance Measures	20
3. Transactions between Related Parties	21-22
IV. Director's Certificate	
Certificate for Disclosed Information	23
V. Auditor's Report	
Auditor's Report	24-27

I. Introduction

These Information Disclosure documents are submitted by Top Energy Ltd pursuant to subpart 3 of Part 4A of the Commerce Act 1986 in accordance with

- The Electricity Information Disclosure Requirements issued 31 March 2004, consolidating all amendments to 31 October 2008
- The Electricity Distribution (Information Disclosure) Requirements 2008
- The Electricity Information Disclosure Handbook (as amended 31 October 2008)
- The Handbook for Optimised Deprivation Valuation of System Fixed Assets of Electricity Lines Businesses (30 August 2004)

Part 4A of the Commerce Act 1986 provides for a regulatory regime for electricity lines businesses, which inter alia sets out provisions for an information disclosure regime in order to allow for public monitoring of lines operations and behaviour. The purpose of the information disclosure regime is to promote the efficient operation of markets directly related to electricity distribution and transmission services. This is to be achieved by ensuring that lines companies provide timely and reliable information about their business activities and make that information publicly accessible for interested parties.

II. Schedules

REPORT FS1: REGULATORY PROFIT STATEMENT

ref		Electricity Distribution Business:	Top Energy Ltd	
			For Year Ended	2008
5				
6	Income			
7				(\$000)
8	Net Line Charge Revenue Received		23,619	
9	plus Discretionary Discounts and Customer Rebates		-	FS1a
10	Gross Line Charge Income		23,619	
11				
12	Capital Contributions		1,641	
13	plus Net Value of Vested Assets		937	
14	Total Capital Contributions and Vested Assets		2,578	
15				
16	AC Loss Rental Rebates Received		588	
17	less AC Loss Rental Rebates Passed On		-	
18	Net AC loss rental income (deficit)		588	
19				
20				
21	Other Income		-	
22				
23				
24				
25	Total regulatory income		26,785	
26				
27				
28	Expenses			
29				
30	Transmission Charges - Payments to Transpower		5,156	
31	plus Avoided Transmission Charges - payments to parties other than Transpower		738	
32	Total Transmission Costs		5,894	
33				
34	Operational Expenditure:			
35	General Management, Administration and Overheads		-	
36	System Management and Operations		-	
37	Routine and Preventative Maintenance		-	to AM1
38	Refurbishment and Renewal Maintenance		-	to AM1
39	Fault and Emergency Maintenance		-	to AM1
40	Pass-through Costs		-	
41	Other		8,646	
42	Total Operational Expenditure		8,646	to MP2
43				
44				
45	Operational earnings		12,245	
46				
47	Regulatory Depreciation of System Fixed Assets (incl. value of assets decommissioned)		4,523	from AV1
48	plus Depreciation of Non-System Fixed Assets (incl. value of assets decommissioned)		323	from AV1
49	Total Regulatory Depreciation		4,846	to FS3
50				
51				
52				
53	Earnings before interest and tax (EBIT)		7,399	to FS3
54				
55	less Regulatory Tax Allowance		642	from FS3
56				
57	plus Indexed Revaluation (of System Fixed Assets)		3,729	from AV1
58	plus Revaluations of Non-System Fixed Assets		-	from AV1
59				
60	Regulatory profit / loss (pre-financing and distributions)		10,486	to MP2

REPORT FS1: REGULATORY PROFIT STATEMENT (cont)

Notes to Regulatory Profit Statement

69	FS1a: Discretionary Discounts: Customer Rebates and other line charge adjustments		(\$000)
70	Customer Rebates	-	
71	Line Charge Holidays and other Discretionary Discounts	-	
72	Total Discretionary Discounts and Customer Rebates		-

75	FS1b: Related party expenditure - summary		(\$000)
76	Avoided Transmission Charges	738	
77	Operational Expenditure	3,797	
78	Subvention Payment	-	
79	Other related party expenditure	29	
80	Total Related Party Expenditure		4,564
81			
82			
83	<i>N.B.: The additional Related Party information that is required to be disclosed in accordance with Section 3 of the Information Disclosure Handbook is to be disclosed by way of a separate note to this Schedule and forms part of this Schedule.</i>		
84			

87	FS1c: Operational Expenditure notes		(\$000)
88			
89	Merger and Acquisition Expenses		
90	Merger and Acquisition Expenses (not to be included in Operational Expenditure)	-	
91			
92	Material items (if greater than 10% of the Operational Expenditure line item)		
93	Material item amount 1	3,740	Notes to be provided separately
94	within expenditure category:	Other	
95			
96	Material item amount 2	2,752	Notes to be provided separately
97	within expenditure category:	Other	
98			
99	Material item amount 3	-	Notes to be provided separately
100	within expenditure category:	Select one	
101			
102			
103			

(further disclosures to be provided on separate page if required)

106	FS1d: Vested Assets		(\$000)
107	Consideration Paid for Vested Assets		201

110	FS1e: Reclassified items in Operational Expenditure		(\$000)
111	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)	-	
112	Previous classification:	Select one	
113	New classification:	Select one	
114			
115			(\$000)
116	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)	-	
117	Previous classification:	Select one	
118	New classification:	Select one	
119			
120			(\$000)
121	Value of items which have been reclassified since previous disclosure (if greater than 10% of any affected line item)	-	
122	Previous classification:	Select one	
123	New classification:	Select one	
124			

to be repeated as required for multiple reclassifications

FS1c Material item

1. \$3,740K being the total maintenance expenditure for the year ended 31 March 2008.
2. \$2,752K being the total cost of salaries and wages for the year ended 31 March 2008

REPORT FS2: REGULATORY ASSET AND FINANCING STATEMENT

ref	Electricity Distribution Business:	Top Energy Ltd	
5		For Year Ended	2008
6			
7	Capital Expenditure on System Fixed Assets (by primary purpose)		(\$000)
8	Customer Connection	-	to AM1
9	System Growth	-	to AM1
10	Reliability, Safety and Environment	-	to AM1
11	Asset Replacement and Renewal	-	to AM1
12	Asset Relocations	6,033	to AM1
13	Total Capital Expenditure on System Fixed Assets	6,033	to AM1
14			
15			
16	Capital Expenditure on Non-System Fixed Assets	166	from AV1
17			
18			
19	Capital works roll-forward (for System Fixed Assets)		
20	Works Under Construction at Beginning of Year	1,095	
21	plus Total Capital Expenditure on System Fixed Assets	6,033	
22	less Assets Commissioned in Year	6,020	from AV1
23	Works under construction at year end	1,108	
24			
25			
26	Regulatory Investment Value calculation		
27	System Fixed Assets: regulatory value at end of Previous Year	110,769	from AV1
28	Non-System Fixed Assets: regulatory value at end of Previous Year	2,236	from AV1
29	Finance During Construction Allowance (on System Fixed assets)	2,714	2.45%
30	Total Regulatory Asset Base value at beginning of Current Financial Year	115,719	
31			
32	plus System Fixed Assets Commissioned in Year	6,020	from AV1
33	System Fixed Assets Acquired From (Sold to) a Non-EDB in Year	-	from AV1
34	Non-System Fixed Assets: Asset Additions	166	from AV1
35	Regulatory Asset Base investment in Current Financial Year - total	6,186	
36	Regulatory Asset Base investment in Current Financial Year - average	3,093	
37			
38	plus (minus) where a merger or acquisition has taken place within the year		
39	Adjustment for merger, acquisition or sale to another EDB	-	from AV4
40			
41	Regulatory Investment Value	118,812	to MP2

Note

Under the Transitional Provisions there is no requirement to disclose the break-down of capital expenditure on System Fixed Assets and therefore all Capital Expenditure has been aggregated to Asset Relocations.

REPORT FS3: REGULATORY TAX ALLOWANCE CALCULATION

		Electricity Distribution Business: Top Energy Ltd	
		For Year Ended 2008	
5			
6			
7			(\$000)
8	Earnings before interest and tax (EBIT)		7,399 <i>from FS1</i>
9			
10	<i>add</i> Total Regulatory Depreciation	4,846	<i>from FS1</i>
11	Other Permanent Differences - not deductible	3	
12	Other Temporary Adjustments - Current Period	457	
13			5,306
15	<i>less</i> Non Taxable Capital Contributions and Vested Assets	2,779	
16	Tax Depreciation	3,946	
17	Deductible Discretionary Discounts and Customer Rebates	-	
18	Deductible Interest	3,802	<i>from row 53</i>
19	Other Permanent Differences - Non Taxable	-	
20	Other Temporary Adjustments - Prior Period	232	
21			10,759
22			
23	Regulatory taxable income for Year		1,946
24			
25	<i>less</i> Tax Losses Available at Start of Year	-	
26	Net taxable income		1,946
27			
28	Statutory Tax Rate	33%	
29	Regulatory Tax Allowance		642 <i>to FS1</i>

Notes to Regulatory Tax Allowance Calculation

36	FS3a: Description of adjustments classified as "other"
37	
38	The Electricity Distribution Business is to provide descriptions of items recorded in the four "other" categories above (explanatory notes can be provided in a separate note if necessary).
39	
40	
41	Permanent Differences- not deductible, entertainment and legal fees; Other Temporary (current and prior periods), holiday, bonus, ACC and retirement accruals
42	
43	
44	
45	

48	FS3b: Financing assumptions (for Deductible Interest and Interest Tax Shield calculation)		
49			
50	Standard Debt Leverage Assumption (debt/total assets)	40%	%
51			
52	Standard Cost of Debt Assumption	8.00%	%
53			
54	Deductible Interest	3,802	\$000 <i>to row 18</i>
55			
56	Interest Tax Shield Adjustment	1,255	\$000 <i>to MP2</i>

REPORT AV1: ANNUAL REGULATORY VALUATION ROLL-FORWARD REPORT

ref	Electricity Distribution Business: Top Energy Ltd					
5	For Year Ended: 2008					
6	Year of most recent ODV: 2004					
7						
8	(\$000)					
9		ODV Year +	ODV Year +	ODV Year +	ODV Year +	ODV Year +
10		1	2	3	4	5
11	For Year Ending:	2005	2006	2007	2008	2009
12	System Fixed Assets					
13	Regulatory Value at End of Previous Year*	96,695	99,796	104,814	110,769	-
14	plus					
15	Assets Commissioned	4,038	4,842	7,087	6,020	-
16	Gross Value of Vested Assets	482	958	636	1,138	-
17	Assets Acquired from (Sold to) a Non-EDB					
18	Asset Additions	4,520	5,800	7,723	7,158	-
19	plus					
20	Indexed Revaluation	2,605	3,351	2,660	3,729	-
21	less					
22	Depreciation of System Fixed Assets	4,024	4,133	4,307	4,523	-
23	Regulatory Value of Assets Decommissioned			121		
24	Regulatory Depreciation (incl. value of assets decommissioned)	4,024	4,133	4,428	4,523	-
25	plus (minus)					
26	Acquisition of System Fixed Assets from another EDB	-	-	-	-	-
27	less Sale of System Fixed Assets to another EDB	-	-	-	-	-
28	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	-	-	-	-	-
29	plus (minus)					
30	Net Increase (Decrease) Due to Changes in Asset Register Information	-	-	-	92	-
31						
32	Regulatory Value of System Fixed Assets at Year End	99,796	104,814	110,769	117,225	-
33						
34	Non-System Fixed Assets					
35	Regulatory value at end of previous year	2,357	2,275	2,237	2,236	-
36	plus					
37	Asset Additions	197	270	298	166	-
38	plus					
39	Revaluations					
40	less Depreciation (incl. value of assets decommissioned)	279	308	299	323	-
41	plus					
42	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-	-
43	Regulatory Value of Non-System Fixed Assets at Year End	2,275	2,237	2,236	2,079	-
44						
45	Total Regulatory Asset Base Value (excluding FDC)	102,071	107,051	113,005	119,304	-
46						
47	* The commencing figure for completing this schedule is the most recent ODV value					
48	Note: Additional columns to be added if required					
49						

Notes to Annual Regulatory Valuation Roll-forward Report

57	AV1a: Calculation of Revaluation Rate and Indexed Revaluation of System Fixed Assets	
58	CPI as at date of ODV	928
59		
60	For Year Ended	2005 2006 2007 2008 2009
61	CPI at CPI reference date	953 985 1010 1044
62	Revaluation Rate	2.69% 3.36% 2.54% 3.37% 0.00%
63		
64	System Fixed Assets: Regulatory Value at End of Previous Year	96,695 99,796 104,814 110,769 -
65	Indexed Revaluation of System Fixed Assets	2,605 3,351 2,660 3,729 -
		to FS1, AV1

68	AV1b: Input for prior year Acquisitions (Sales) of Assets to (from) another ELB					
69						
70	For Year Ended	2005	2006	2007	2008	2009
71	Acquisition of System Fixed Assets from another EDB	-	-	-	-	-
72	Sale of System Fixed Assets to another EDB	-	-	-	-	-
73	Net Acquisitions (Sales) of Non-System Fixed Assets from (to) an EDB	-	-	-	-	-

REPORT AV2: REGULATORY VALUATION DISCLOSURE BY ASSET CLASS
 (for System Fixed Assets)

Electricity Distribution Business: **Top Energy Ltd**
 For Year Ended: **2008**

ref
 6
 7
 8
 9
 10
 11
 12
 13
 14
 15
 16
 17
 18
 19
 20
 21

Subtotals by Asset Class (for System Fixed Assets)

	Subtransmission	Zone Substations	Distribution & LV Lines	Distribution & LV Cables	Distribution Substations and Transformers	Distribution Switchgear	Other System Fixed Assets	Total for System Fixed Assets (per AV1)	
System Fixed Assets									
Regulatory Value of System Fixed Assets (as per most recent ODV)	7,729	6,468	38,917	21,692	14,575	6,602	712	96,695	from AV1
Cumulative roll-forward since most recent ODV:									
Asset Additions								25,201	from AV1
Indexed Revaluation (of System Fixed Assets)								12,345	from AV1
less Regulatory Depreciation (of System Fixed Assets)								17,108	from AV1
Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB								-	from AV1
Net Increase (Decrease) Due to Changes in Asset Register Information								92	from AV1
Regulatory Value of System Fixed Assets at Year End								117,225	from AV1

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT

ref	Electricity Distribution Business:	Top Energy Ltd
	For Year Ended:	2005
5	System Fixed Assets - Replacement Cost	
6		(\$000)
7		183,703
8	Replacement cost at end of previous year	
9		
10	Asset Additions	4,520
11	Indexed Revaluation (of System Fixed Assets)	4,949
12	less Replacement Cost of Assets Decommissioned	0
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0
14	Net Increase (Decrease) Due to Changes in Asset Register Information	0
15	Replacement cost of System Fixed Assets at year end	<u>193,172</u>
16		
17		
18	System Fixed Assets - Depreciated Replacement Cost	
19		
20	Depreciated Replacement Cost at end of previous year	97,782
21		
22	Asset Additions	4,520
23	Indexed Revaluation (of System Fixed Assets)	2,634
24	less Depreciation of Replacement Cost	4,025
25	less Depreciated Replacement Cost of Assets Decommissioned	0
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0
27	Net Increase (Decrease) Due to Changes in Asset Register Information	0
28	Depreciated replacement cost of System Fixed Assets at year end	<u>100,911</u>

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)

Notes to Price and Quality Measures

36	AV3a: New Asset Additions	
37		
38	Asset Additions - Depreciated Replacement Cost	4,520
39	plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	0
40		
41	Asset Additions - Replacement Cost	<u>4,520</u>
42		

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT

			Electricity Distribution Business: Top Energy Ltd
			For Year Ended: 2006
ref			
5			
6	System Fixed Assets - Replacement Cost		
7		(\$000)	
8	Replacement cost at end of previous year	193,172	
9			
10	Asset Additions	5,800	AV3a
11	Indexed Revaluation (of System Fixed Assets)	6,486	
12	<i>less</i> Replacement Cost of Assets Decommissioned	0	
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0	from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information	0	
15	Replacement cost of System Fixed Assets at year end	<u>205,458</u>	
16			
17			
18	System Fixed Assets - Depreciated Replacement Cost		
19			
20	Depreciated Replacement Cost at end of previous year	100,911	
21			
22	Asset Additions	5,800	AV3a
23	Indexed Revaluation (of System Fixed Assets)	3,388	
24	<i>less</i> Depreciation of Replacement Cost	4,134	
25	<i>less</i> Depreciated Replacement Cost of Assets Decommissioned	0	
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0	from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information	0	
28	Depreciated replacement cost of System Fixed Assets at year end	<u>105,965</u>	

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)

Notes to Price and Quality Measures

36	AV3a: New Asset Additions		
37			
38	Asset Additions - Depreciated Replacement Cost	5,800	from AV1
39	<i>plus</i> Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	0	
40			
41	Asset Additions - Replacement Cost	<u>5,800</u>	
42			

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT

ref		Electricity Distribution Business:	Top Energy Ltd
		For Year Ended:	2007
5			
6	System Fixed Assets - Replacement Cost		
7		(\$000)	
8	Replacement cost at end of previous year	205,458	
9			
10	Asset Additions	7,723	AV3a
11	Indexed Revaluation (of System Fixed Assets)	5,215	
12	less Replacement Cost of Assets Decommissioned	200	
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0	from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information	0	
15	Replacement cost of System Fixed Assets at year end	218,196	
16			
17			
18	System Fixed Assets - Depreciated Replacement Cost		
19			
20	Depreciated Replacement Cost at end of previous year	105,965	
21			
22	Asset Additions	7,723	AV3a
23	Indexed Revaluation (of System Fixed Assets)	2,689	
24	less Depreciation of Replacement Cost	4,308	
25	less Depreciated Replacement Cost of Assets Decommissioned	121	
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0	from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information	0	
28	Depreciated replacement cost of System Fixed Assets at year end	111,949	

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)

Notes to Price and Quality Measures

36	AV3a: New Asset Additions		
37			
38	Asset Additions - Depreciated Replacement Cost	7,723	from AV1
39	plus Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	0	
40			
41	Asset Additions - Replacement Cost	7,723	
42			

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT

<i>ref</i>		Electricity Distribution Business: Top Energy Ltd	
5		For Year Ended: 2008	
6	System Fixed Assets - Replacement Cost		
7		(\$000)	
8	Replacement cost at end of previous year	218,196	
9			
10	Asset Additions	7,158	AV3a
11	Indexed Revaluation (of System Fixed Assets)	7,345	
12	<i>less</i> Replacement Cost of Assets Decommissioned	0	
13	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0	from AV4
14	Net Increase (Decrease) Due to Changes in Asset Register Information	106	
15	Replacement cost of System Fixed Assets at year end	<u>232,805</u>	
16			
17			
18	System Fixed Assets - Depreciated Replacement Cost		
19			
20	Depreciated Replacement Cost at end of previous year	111,949	
21			
22	Asset Additions	7,158	AV3a
23	Indexed Revaluation (of System Fixed Assets)	3,769	
24	<i>less</i> Depreciation of Replacement Cost	4,524	
25	<i>less</i> Depreciated Replacement Cost of Assets Decommissioned	0	
26	Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB	0	from AV4
27	Net Increase (Decrease) Due to Changes in Asset Register Information	92	
28	Depreciated replacement cost of System Fixed Assets at year end	<u>118,444</u>	

REPORT AV3: SYSTEM FIXED ASSETS REPLACEMENT COST ROLL-FORWARD REPORT (cont)

Notes to Price and Quality Measures

36	AV3a: New Asset Additions		
37			
38	Asset Additions - Depreciated Replacement Cost	7,158	from AV1
39	<i>plus</i> Difference in Replacement Cost and Depreciated Replacement Cost values of Asset Additions	0	
40			
41	Asset Additions - Replacement Cost	<u>7,158</u>	

REPORT AV4: BUSINESS MERGER, ACQUISITION OR SALE - REGULATORY ASSET BASE DISCLOSURE

Electricity Distribution Business: **Top Energy Ltd**

6 Disclosure required? (YES or NIL DISCLOSURE): **NO DISCLOSURE REQUIRED**

As at (date): **31/03/2008**

Proportion of year following transfer of assets: **0%**

PART 1: Most recent ODV valuation of System Fixed Assets transferred (\$000)

	Subtransmission	Zone substations	Distribution & LV Lines	Distribution & LV Cables	Distribution substations and transforme	Distribution switchgear	Other System Fixed Assets	Total for System Fixed Assets
13 Replacement Cost (RC)								
14 less Depreciation								
15 Depreciated Replacement Cost (DRC)	-	-	-	-	-	-	-	-
16 less Optimisation adjustment								
17 Optimised Depreciated Replacement Cost (ODRC)	-	-	-	-	-	-	-	-
18 less Economic Value Adjustment (EVA)								
19 Most recent ODV value	-	-	-	-	-	-	-	-

PART 2: Valuation disclosure for transferred assets by Asset Class (at transfer date) (\$000)

	Total for System Fixed Assets	Non-System Fixed Assets	Total RAB value (excl. FDC)
27 Regulatory Value of System Fixed Assets (as per most recent ODV)	-		
28 Cumulative roll-forward since most recent ODV:			
29 Asset Additions			
30 Indexed Revaluation (of System Fixed Assets)			
31 less Regulatory Depreciation (of System Fixed Assets)			
32 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB			
33 Net Increase (Decrease) due to Changes in Asset Register Information			
34 RAB Value of Transferred Assets at Transfer Date	-		-
35 Acquisition of Assets from Another EDB	-	-	to AV1
36 Sale of Assets to Another EDB	-	-	to AV1
37 RAB Value of Transferred Assets at Transfer Date	-		
38 "p" factor (proportion of year following transfer of assets)	0%		
39 Adjustment for merger, acquisition or sale to another EDB		-	to FS2

PART 3: Rolled-forward Replacement Cost values for System Fixed Assets transferred (\$000)

	RC & DRC values of System Fixed Assets at transfer date	RAB value of acquired/(sold) assets
48 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - RC		- to AV3
49 Net Acquisitions (Sales) of System Fixed Assets from (to) an EDB - DRC		- to AV3

Signed by: Selling Entity _____
 Acquiring Entity _____

REPORT MP1: NETWORK INFORMATION
 (Separate report required for each Non-Contiguous Network)

ref	Electricity Distribution Business:	Top Energy Ltd	
6		For Year Ended:	
7	Network Name:	Top Energy Limited	
		<small>(enter "Total Business" or name of network)</small>	
	Disclosure:	Annual Disclosure - Requirement 6(1)	
9	Circuit Length by Operating Line Voltage (at year end)		
10		Overhead	Underground
11		(km)	(km)
12	> 66kV	-	-
13	50kV & 66kV	-	-
14	33kV	265	1
15	SWER (all SWER voltages)	491	-
16	22kV (other than SWER)	23	5
17	6.6kV to 11kV (inclusive - other than SWER)	2,239	146
18	Low Voltage (< 1kV)	287	639
19	Total circuit length (for Supply)	3,305	791
			4,096
			<i>to MP2</i>
20	Dedicated Street Lighting Circuit Length		
21		10	310
22			320
23	Overhead Circuit Length by Terrain (at year end)		
24		(km)	(%)
25	Urban (only)	178	5%
26	Rural (only)	2,583	78%
27	Remote (only)	-	0%
28	Rugged (only)	-	0%
29	Rural & rugged (only)	257	8%
30	Remote & rugged (only)	-	0%
31	Unallocated overhead lines	287	9%
32	Total overhead length	3,305	100%
33			
34	Transformer capacity (at year end)		
35	Distribution Transformer Capacity (EDB Owned)	220 MVA	<i>Previous Year</i> 200
36	Distribution Transformer Capacity (Non-EDB Owned, Estimated)	36 MVA	36
37	Total Distribution Transformer Capacity	256 MVA (to MP2)	236
38			
39	Zone Substation Transformer Capacity	220 MVA	220
40			
41	System Fixed Assets age (at year end)		
42	Average Age of System Fixed Assets	25 Years	
43	Average Expected Total Life of System Fixed Assets	50 Years	
44	Average Age as a Proportion of Average Expected Total Life	50%	
45			
46	Estimated Proportion of Assets (by Replacement Cost) within 10 years of Total Life	10%	
47			

Note

"Unallocated overhead lines" under "Overhead Circuit Length by Terrain (at year end)" section are Low Voltage (< 1kV) overhead lines only. Top Energy did not capture the terrain information for LV lines in the past, in order to preserve the data integrity of other terrain categories; Top Energy defines all LV overhead lines as unallocated in this Disclosure.

MP1 Continued

	Maximum coincident system demand (MW)	Non-coincident Sum of maximum demands (MW)	
Electricity demand			
GXP Demand	52	56	
<i>plus</i> Embedded Generation Output at HV and Above	10		
Maximum System Demand	63		
<i>less</i> Net Transfers to (from) Other EDBs at HV and Above	-		
Demand on system for supply to customers' Connection Points	63		
<i>less</i> Subtransmission Customers' Connection Point Demand	-	0	
Maximum Distribution Transformer Demand	63		to MP2
GXP Demand not Supplied at Subtransmission Level	-		
Embedded Generation Output - Connected to Subtransmission System	10	11	
Net Transfers to (from) Other EDBs at Subtransmission Level Only	-	-	
Estimated Controlled Load Shed at Time of Maximum System Demand (MW)	15		
Five-Year System Maximum Demand Growth Forecast	6.0		% p.a.
Electricity volumes carried			
	(GWh)		
Electricity Supplied from GXPs	282		
<i>less</i> Electricity Exports to GXPs	-		
<i>plus</i> Electricity Supplied from Embedded Generators	70		
<i>less</i> Net Electricity Supplied to (from) Other EDBs	-		
Electricity entering system for supply to customers' Connection Points	352		
<i>less</i> Electricity Supplied to Customers' Connection Points	323		
Electricity Losses (loss ratio)	28	8.0%	to MP2
Electricity Supplied to Customers' Connection Points	323		
<i>less</i> Electricity Supplied to Largest 5 Connection Points	54		
Electricity supplied other than to Largest 5 Connection Points	270	83%	
Load Factor	64%		
Number of Connection Points (at year end)	29,973	ICPs	to MP2
Intensity of service requirements			
Demand Density (Maximum Distribution Transformer Demand / Total circuit length)	15	kW/km	
Volume Density (Electricity Supplied to Customers' Connection Points / Total circuit length)	79	MWh/km	
Connection Point Density (ICPs / Total circuit length)	7	ICP/km	
Energy Intensity (Electricity Supplied to Customers' Connection Points / ICP)	10,787	kWh/ICP	

REPORT MP2: PERFORMANCE MEASURES

		Electricity Distribution Business: Top Energy Ltd					
		For Year Ended: 2008					
Performance comparators		Previous Years:			Current Financial Year		
		Current Yr - 3	Current Yr - 2	Current Yr - 1			
9	Operational expenditure ratio				9	\$m from FS1	
10	<i>Total Operational Expenditure</i>						
11	<i>Replacement Cost of System Fixed Assets (at year end*)</i>				233	\$m from AV3	
12	Ratio (%)	Not defined	Not defined	Not defined	3.71%	%	
14	Capital expenditure ratio				6	\$m from FS2	
15	<i>Total Capital Expenditure on System Fixed Assets</i>						
16	<i>Replacement Cost of System Fixed Assets (at year end*)</i>				233	\$m from AV3	
17	Ratio (%)	Not defined	Not defined	Not defined	2.59%	%	
19	Capital expenditure growth ratio				-	\$m from FS2	
20	<i>Capital Expenditure: Customer Connection and System Growth</i>						
21	<i>Change in Total Distribution Transformer Capacity</i>				34	MVA from MP1	
22	\$/kVA	Not defined	Not defined	Not defined	-	\$/kVA	
24	Renewal expenditure ratio				-	\$m from FS1 & 2	
25	<i>Capital & Operational Expenditure: Asset Replacement, Refurbishment and Renewal</i>						
26	<i>Regulatory Depreciation of System Fixed Assets</i>				5	\$m from AV1	
27	Ratio (%)	Not defined	Not defined	Not defined	0%	%	
29	Distribution Transformer Capacity Utilisation						
30	<i>Maximum Distribution Transformer Demand</i>	59	59	64	63	MW from MP1	
31	<i>Total Distribution Transformer Capacity (at year end*)</i>	199	205	187	256	kVA from MP1	
32	Ratio (%)	29.7%	28.8%	34.3%	24.5%	%	
34	Return on Investment						
35	<i>Regulatory Profit / Loss (pre-financing and distributions)</i>				10	\$m from FS1	
36	<i>less Interest Tax Shield Adjustment</i>				1	\$m from FS3	
37	<i>Adjusted Regulatory Profit</i>	-	-	-	9	\$m	
38	<i>Regulatory Investment Value</i>				119	\$m from FS2	
39	Ratio (%)	Not defined	Not defined	Not defined	7.77%	%	
40	* If a Merger or Asset Transfer with another EDB was entered into during the year, the denominators are calculated as time-weighted averages.						
42	Expenditure comparison table	Expenditure metrics (\$ per):					
45		Total circuit length (for Supply)	Electricity Supplied to Customers' Connection Points	Maximum coincident system demand	Connection Point	Distribution Transformer Capacity (EDB-Owned)	
46		(\$/km)	(\$/MWh)	(\$/MW)	(\$/ICP)	(\$/MVA)	
47	Capital Expenditure (\$ per)	1,514	19	98,767	207	28,145	from FS2 & MP1
48	Operational Expenditure (\$ per)	2,111	27	137,754	288	39,255	from FS1 & MP1

Note

Under the Transitional Provisions there is no requirement to provide previous years information for Operational Expenditure Ratio, Capital Expenditure Ratio, Capital Expenditure Growth Ratio, Renewal Expenditure Ratio and Return on Investment.

REPORT MP3: PRICE & QUALITY MEASURES
 (Separate report required for each Non-contiguous Network)

ref	Electricity Distribution Business: Top Energy Ltd					
6	For Year Ended: 2008					
7	Network Name: Top Energy Limited					
9	Disclosure: Annual Disclosure - Requirement 6(1)					
10	QUALITY					
11	Interruptions					
12	Interruptions by class					
13	Class A	1 planned interruptions by Transpower				
14	Class B	264 planned interruptions on the network				
15	Class C	335 unplanned interruptions on the network				
16	Class D	- unplanned interruptions by Transpower				
17	Class E	- unplanned interruptions of network owned generation				
18	Class F	- unplanned interruptions of generation (non-network)				
19	Class G	- unplanned interruptions caused by other electricity industry participant				
20	Class H	- planned interruptions caused by other electricity industry participant				
21	Total	600 Total of above				
22	Interruption targets for Forecast Year					
23	Class B	2009 314 planned interruptions on the network				
24	Class C	Current Financial Year +1 416 unplanned interruptions on the network				
25	Average interruption targets for 5 Forecast Years					
26	Class B	2009-2013 294 planned interruptions on the network				
27	Class C	Current Financial Year +1 to +5 312 unplanned interruptions on the network				
28	Class C interruptions restored within					
29	≤3Hrs	>3hrs				
30	179	156				
31	Faults					
32	Faults per 100 circuit kilometres					
33	The total number of faults for Current Financial Year	8.18 in year 2008				
34	The total number of faults forecast for the Forecast Year	10.16 in year 2009				
35	The average annual number of faults forecast for the 5 Forecast Years	7.61 average over years 2009-2013				
36	Fault Information per 100 circuit kilometres by Voltage and Type					
37	6.6kV & 11kV non-SW	22kV non-SW	SWER	33kV	50kV & 66kV	>66kV
38	Yes	Yes	Yes	Yes	No	No
39	Current Financial Year	5.91	0.02	1.90	0.34	
40	Forecast Year	6.10	0.02	3.26	0.76	
41	Average annual for 5 Forecast Years	4.96	0.02	1.95	0.42	
42	Fault Information per 100 circuit kilometres by Voltage and Type					
43	Underground	1.39	-	-	-	
44	Overhead	6.99	0.03	2.36	0.42	

MP3 Continued

53	Reliability					
54	Overall reliability					
55	Based on the total number of interruptions					
56		SAIDI	SAIFI	CAIDI		
57		818.30	6.40	127.95		
58	Reliability by interruption class					
59	Class B	36.63	0.34	107.00		
60	Class C	781.67	6.05	129.13		
61	Targets for Forecast Year					
62	Class B	81.70	0.67	121.94		
63	Class C	808.90	9.90	81.71		
64	Average targets for 5 Forecast Years					
65	Class B	28.71	0.38	75.55		
66	Class C	354.09	4.71	75.18		
67						
68						
69						
70	PRICES					
71						
72	Price information by Connection Point Class					
73						
74	Connection Point Class					
75		Small Connection Points	Medium Connection Points	Large Connection Points	Largest 5 Connection Points	Total
76	Gross line charge income (\$000)	18,976	2,589	490	1,564	23,619
77	Electricity Supplied to Customers' Connection Points (MWh)	226,030	34,979	8,530	53,788	323,327
78	Number of Connection Points (ICPs) at year end	29,789	166	13	5	29,973
79	Unit Price (cents/kWh)	8.4	7.4	5.7	2.9	7.3
80	Relative Unit Price Index	1.00	0.88	0.68	0.35	0.87
81						

REPORT MP3: PRICE AND QUALITY (cont)

Notes to Price and Quality Measures

89	MP3a: Connection Point Class breakpoints	
90		
91	Connection Point Class breakpoints methodology	Metering installation category based breakpoints
92		
93	kVA based breakpoints - additional disclosure	
94	Breakpoint between small and medium classes	23 kVA
95	Breakpoint between large and medium classes	345 kVA
96		

Note: Connection Point Class breakpoints

The definition for large connection points (excluding largest 5 connection points), Electricity Distribution (Information Disclosure) Requirements 2008 dated 31 October 2008, suggests an upper limit of 100kVA. However, according to Electricity Commission Metering Installation Information Guide v1.0, ICPs qualified under such boundary are Metering Installation Category 1 but not all Category 2 ICPs.

The company believes that it is not feasible in following the definition of less than 100kVA strictly, since Top Energy classifies all Category 1 ICPs as small connection points. Rather, it is more reasonable to include Category 2 ICPs as medium connection points. In the absence of satisfactory data regarding the capacity of a Connection Point, the company considers it acceptable to include in the large connection point class those ICPs that are defined as being in Metering Installation Categories 3, 4, 5, and 6, as defined under the Electricity Governance Rules, excluding the largest 5 connection points.

REPORT AM1: EXPENDITURE FORECASTS AND RECONCILIATION

Electricity Distribution Business: **Top Energy Ltd**
 For Year Ended **2008**
 (\$'000)

A) Five year forecasts of expenditure

From most recent Asset Management Plan

for year ended	Actual for Current Financial Year	Forecast Years					
		year 1	year 2	year 3	year 4	year 5	
		2008	2009	2010	2011	2012	
Capital Expenditure: Customer Connection	-		800,000	1,200,000	1,500,000	1,500,000	from FS2
Capital Expenditure: System Growth	-		2,669,000	6,075,000	6,210,000	8,842,500	from FS2
Capital Expenditure: Reliability, Safety and Environment	-		2,966,250	1,026,000	2,322,000	1,466,000	from FS2
Capital Expenditure: Asset Replacement and Renewal	-		3,465,600	3,976,510	3,325,000	4,275,000	from FS2
Capital Expenditure: Asset Relocations	6,033		182,400	209,290	175,000	225,000	from FS2
Subtotal - Capital Expenditure on asset management	6,033	-	10,083,250	12,486,800	13,532,000	16,308,500	
Operational Expenditure: Routine and Preventative Maintenance	-		4,294,477	4,509,201	4,734,661	2,654,321	from FS1
Operational Expenditure: Refurbishment and Renewal Maintenance	-		500,000	525,000	551,250	578,813	from FS1
Operational Expenditure: Fault and Emergency Maintenance	-		1,000,000	800,000	600,000	630,000	from FS1
Subtotal - Operational Expenditure on asset management	-	-	5,794,477	5,834,201	5,885,911	3,863,133	
Total direct expenditure on distribution network	6,033	-	15,877,727	18,321,001	19,417,911	20,171,633	
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

	Actual for Current Financial Year	Previous forecast for Current Financial Year	% Variance (a)/(b)-1	
	Year (a)	Year (b)		
Capital Expenditure: Customer Connection	-		Not defined	from row 10
Capital Expenditure: System Growth	-		Not defined	from row 11
Capital Expenditure: Asset Replacement and Renewal	-		Not defined	from row 12
Capital Expenditure: Reliability, Safety and Environment	-		Not defined	from row 13
Capital Expenditure: Asset Relocations	6,033		Not defined	from row 14
Subtotal - Capital Expenditure on asset management	6,033	-	Not defined	
Operational Expenditure: Routine and Preventative Maintenance	-		Not defined	from row 17
Operational Expenditure: Refurbishment and Renewal Maintenance	-		Not defined	from row 18
Operational Expenditure: Fault and Emergency Maintenance	-		Not defined	from row 19
Subtotal - Operational Expenditure on asset management	-	-	Not defined	
Total direct expenditure on distribution network	6,033	-	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):

III. Transitional Provisions

Regulation 14-Performance Measures

	2008	2007	2006	2005
	\$	\$	\$	\$
(a) Direct Line Costs per Kilometre	1,217	1,288	1,478	1,388
(b) Indirect Line Costs per Electricity Consumer	114	107	80	77

Regulation 20-Energy Delivery Efficiency Performance Measures

		2008	2007	2006	2005
Total System Length (kms)	33kV	266	278	272	272
	11kV	2,904	2,689	2,937	2,850
	400V	925	832	778	748
	Total	4,095	3,798	3,987	3,870
Overhead Circuit Length (kms)	33kV	265	277	270	270
	11kV	2,753	2,539	2,801	2,717
	400V	287	240	196	307
	Total	3,305	3,056	3,267	3,294
Underground Circuit Length (kms)	33kV	1	1	2	2
	11kV	151	149	136	133
	400V	638	592	582	441
	Total	790	742	720	576

	2008	2007	2006	2005
Transformer Capacity (kVA)	220,255	200,344	205,000	198,815
Total Customers (average for Year)	29,601	29,073	28,486	27,656

Note: Transformer Capacity (kVA)

Top Energy has been improving its GIS system and data integrity by investing in data capture projects. As a direct result of these initiatives we have restated the 2007 Transformer Capacity (2007; previous 186,750 kVA)

RELATED PARTY TRANSACTIONS

i. Top Energy Consumer Trust:

Top Energy Ltd is wholly owned by Top Energy Consumer Trust. For the period ended 31 March 2008, Top Energy Ltd paid \$5.85m (31 March 2007: \$5.665m) in the form of a dividend to the above Trust.

During the year Top Energy processed transactions on an agency basis on behalf of the Trust in order to settle routine business dealings. As at 31 March 2008, a balance of \$3,020 was owed by the Company to the Trust (31 March 2007: \$590,637 owed by the Company to the Trust). All transactions with the Trust are made on normal business terms

ii. Transfer Payments between Line & 'Other' business:

The following related party transactions occurred in the year between the Line & Other businesses.

	Note	2008 (Income)/cost	2007 (Income)/cost
Transfer Payment Cost to Line:			
Asset maintenance services	a	3,739,459	3,490,980
Avoided transmission charges	b	738,057	746,362
Property rental	c	69,764	67,788
Payment for meter data		Nil	Nil
Consumer based load control		Nil	Nil
Disconnection/reconnection services		Nil	Nil
Asset construction	d		
Sub transmission assets		Nil	Nil
Zone substations		949,838	471,762
Distribution lines & cable		2,804,530	2,864,925
Medium voltage switchgear		Nil	Nil
Distribution transformers		1,323,863	2,058,623
Distribution substations		Nil	Nil
Low voltage lines & cables		1,142,529	1,907,971
Other system fixed assets		Nil	Nil
Call Centre call charges	e	41,276	48,931

- a. Asset maintenance services are provided by the Contracting Division in respect of the System fixed asset. Services are provided as contracted by the Line business and are charged at market rates on an arms length basis. Services were provided throughout the year. The outstanding balance at 31 March 2008 was \$309,637 (2007: \$286,634).
- b. Avoided Transmission charges are paid in respect of embedded generation provided by Ngawha Generation Limited. Charges are based on the Transpower market rate. The service was provided for the full year. The outstanding balance at 31 March 2008 was \$61,365 (2007: \$62,748).
- c. Property facilities are provided to the Line business by the Property Division. Rentals are at market rates for the specific sites. Services were provided throughout the year. The property rental includes cost recovery in respect of rates of \$5,814 (2008: \$5,649).
- d. Asset construction services are provided by the Contracting Division in respect of the System fixed asset. Services are provided as contracted by the Line business and are charged on a full cost recovery basis. Services were provided throughout the year. The outstanding balance at 31 March 2008 was \$328,922 (2007: \$397,741).
- e. Call centre charges are provided by Phone Plus (2000) Limited for services such as inquiry and fault calls. Charges are calculated on an arms length basis. The outstanding balance at 31 March 2008 was \$5,551 (2007: \$3,860).

IV. Director's Certificate

CERTIFICATE FOR DISCLOSED INFORMATION

Pursuant to Requirement 11(1)

We, Paul Anthony Byrnes and Michael Wallace Simm, directors of Top Energy Limited certify that, having made all reasonable enquiry, to the best of our knowledge, the following attached audited information of Top Energy Limited prepared for the purposes of requirement 3, 4, 6 and 7(5) of the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 complies with those Requirements -

- (i) Report FS1: Regulatory Profit Report;
- (ii) Report FS2: Regulatory Asset and Financing Report;
- (iii) Report FS3: Regulatory Tax Allowance Report;
- (iv) Report AV1: Annual Regulatory Valuation Roll-Forward Report;
- (v) Report AV2: Valuation Disclosure by Asset Class (for System Fixed Assets);
- (vi) Report AV3: System Fixed Assets Replacement Cost Roll-Forward Report;
- (vii) Report AV4: Merger or Acquisition Regulatory Asset Base Disclosure;
- (viii) Report MP1: Network Information Report;
- (ix) Report MP2: Performance Measures Report; and
- (x) Report MP3: Price and Quality Report.
- (xi) Report AM1: Expenditure Forecasts and Reconciliation.



P A BYRNES



M W SIMM

19th May 2009

AUDITOR'S INDEPENDENT ASSURANCE REPORT

To the Board of Directors of Top Energy Limited

REPORT ON TOP ENERGY LIMITED'S COMPLIANCE WITH THE ELECTRICITY DISTRIBUTION (INFORMATION DISCLOSURE) REQUIREMENTS 2008 FOR THE FINANCIAL YEAR ENDED 31 MARCH 2008

The Auditor-General is the auditor of Top Energy Limited (the company). The Auditor-General has appointed me, Jonathan Freeman, using the staff and resources of PricewaterhouseCoopers, to provide an opinion on the compliance of the attached reports on pages 3 to 22 prepared by Top Energy Limited with the Commerce Commission's Electricity Distribution (Information Disclosure) Requirements 2008 (the Requirements) for the financial year ended 31 March 2008. In this independent assurance report the attached reports are called the 'disclosure information'.

Respective Responsibilities

The Board of Directors is responsible for preparing disclosure information which complies with the Requirements.

Clause 10 of the Requirements requires the Auditor-General to provide an opinion that the disclosure information prepared by Top Energy Limited has complied with the Requirements for the financial year ended 31 March 2008.

Use of this Independent Assurance Report

This independent assurance report has been prepared solely to provide assurance that the disclosure information prepared by Top Energy Limited complies with the Requirements for the financial year ended 31 March 2008. This independent assurance report is not intended to be used for any purpose, other than that for which it was prepared.

Scope and Limitations of the Engagement

We conducted the engagement in accordance with the New Zealand Institute of Chartered Accountants International Standard on Assurance Engagements (New Zealand) 3000: *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

In respect of disclosures of prospective financial information we conducted the engagement in accordance with the International Standard on Assurance Engagements 3400: *The Examination of Prospective Financial Information* (ISAE 3400). Where relevant, we have applied the principles of ISAE 3400 to the disclosure of prospective non-financial information.

Our work has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information has been presented in all material respects in accordance with the Requirements. Material misstatements, whether caused by fraud or error, are differences or omissions of amounts and disclosures that would affect a user's overall understanding of the disclosure information prepared by Top Energy Limited.



AUDITOR'S INDEPENDENT ASSURANCE REPORT

To the Board of Directors of Top Energy Limited

Because of the inherent limitations in evidence gathering procedures, it is possible that fraud, error or non-compliance may occur and not be detected. As the procedures performed for this engagement are not performed continuously throughout the financial year and the procedures performed in respect of Top Energy Limited's compliance with the Requirements are undertaken on a test basis, our engagement cannot be relied on to detect all instances where Top Energy Limited may not have complied with the Requirements. Our opinion has been formed on the above basis.

This independent assurance report provides assurance that the disclosure information prepared by Top Energy Limited complies with the Requirements. Top Energy Limited's financial statements and Threshold Compliance Statements prepared pursuant to the Commerce Act (Electricity Lines Thresholds) Notice 2004 for the year ended 31 March 2008 have been subject to audit.

The audit opinion on the financial statements was unqualified. The audit opinion on the Threshold Compliance Statements for the year ended 31 March 2008 contained a qualification in respect of there being no practical audit procedures that we could adopt to confirm independently that all outage and interconnection point (ICP) data was properly recorded for the purposes of inclusion in the SAIDI and SAIFI statistics in the Threshold Compliance Statement for the year ended 31 March 2008.

We explain below how this qualification on the Threshold Compliance Statements has given rise to a limitation on this independent assurance report over the disclosure information.

Basis of Opinion

Our work in respect of any historical financial and non-financial amounts and disclosures that were audited under the financial statements and Threshold Compliance Statements audits has been limited to agreeing the amounts and disclosures to the underlying records and audited financial statements or Threshold Compliance Statements of Top Energy Limited.

Our work in respect of historical financial and non-financial amounts and disclosures that were not audited under the financial statement and Threshold compliance Statement audits, has been planned and performed to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the disclosure information has been presented in all material respects in accordance with the Requirements.

In the case of prospective financial and non-financial information our work has been limited to assessing whether the information has been presented on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2008, and that the prospective financial and non-financial information has been calculated based on source data provided by Top Energy Limited. We have not performed audit procedures on the source data.

Independence

When carrying out the engagement we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the New Zealand Institute of Chartered Accountants. We also complied with the Independent auditor provisions on independence, as specified in clause 2(1) of the Requirements.

AUDITOR'S INDEPENDENT ASSURANCE REPORT

To the Board of Directors of Top Energy Limited

Other than the engagement, the annual audit of the Top Energy Limited's financial statements and Threshold Compliance Statements carried out on behalf of the Auditor-General, and the provision of other professional advisory services, we have no relationship with or interests in Top Energy Limited.

Qualified Opinion

Report MP3: reliability statistics

The scope of our engagement was subject to the following limitations as described in our qualified audit opinion on the company's Threshold Compliance Statement for the year ended 31 March 2008:

- The company's faults database only allows one partial restoration and the final restoration information to be entered for each outage. In the case of outages with multiple partial restorations this limitation has the effect of overstating SAIDI for those outages;
- The SAIDI and SAIFI calculations for some outages during the year are based on the estimated number of interconnection points (ICPs) affected for each outage, and there are no detailed records available to verify the accuracy of ICP estimates used in those calculations; and
- Control over the completeness and accuracy of ICP data included in the SAIDI and SAIFI calculations is limited throughout the year.

Because of these limitations there are no practical procedures that we could adopt to confirm that all outage and ICP data was properly recorded for the purposes of calculating the reliability statistics disclosed in report MP3 of the disclosure information.

In this respect alone:

- we have not obtained all the information and explanations that we have required, and
- we were unable to determine whether proper records to support the calculation of reliability statistics have been kept.

In our opinion, in all material respects, Top Energy Limited has:

- except for the matters identified above, kept proper records to enable the complete and accurate compilation of required information in report MP3, in all material respects, as far as appears from our examination of those records;
- prepared disclosure information in report MP3 for the financial year ended 31 March 2008 that complies with the Requirements;
- presented the historical financial information in report MP3 for the financial year ended 31 March 2008 in accordance with the Requirements, in all material respects;
- compiled the historical non-financial information included in report MP3 in accordance with the guidance issued pursuant to the Requirements, and has calculated the historical non-financial information based on unaudited source data provided by Top Energy Limited; and
- presented the prospective financial and non-financial information in report MP3 on a basis consistent with the regulatory accounting or technical measurement requirements used for disclosures for the financial year ended 31 March 2008 and the immediately preceding financial year, and has calculated the prospective financial and non-financial information based on unaudited source data provided by Top Energy Limited.



AUDITOR'S INDEPENDENT ASSURANCE REPORT

To the Board of Directors of Top Energy Limited

Unqualified Opinions

Reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP1, MP2 and AM1

We have obtained all the information and explanations we have required.

In our opinion, in all material respects, Top Energy Limited has:

- kept proper records to enable the complete and accurate compilation of required information, in all material respects, as far as appears from our examination of those records;
- prepared disclosure information for the financial year ended 31 March 2008 that complies with the Requirements;
- presented the historical financial information included in reports FS1, FS2, FS3, AV1, AV2, AV3, AV4, MP2 and AM1 for the financial year ended 31 March 2008 in accordance with the Requirements, in all material respects;
- compiled the historical non-financial information included in reports MP1 and MP2 in accordance with the guidance issued pursuant to the Requirements, and has calculated the historical non-financial information based on unaudited source data provided by Top Energy Limited;
- presented the prospective financial information in report AM1 on a basis consistent with the regulatory accounting or technical measurement requirements used for the disclosures for the financial year ended 31 March 2008 and the immediately preceding financial year, and has calculated the prospective financial information based on unaudited source data provided by Top Energy Limited.

Our assurance engagement was completed on 20 May 2009 and our qualified and unqualified opinions are expressed as at that date.

A handwritten signature in blue ink, appearing to read 'Jonathan Freeman'.

Jonathan Freeman
PricewaterhouseCoopers
On behalf of the Auditor-General
Auckland

20 May 2009