Notes to expenditure information provided by WE in support of the CPP earthquake readiness expenditure

Commissioned Assets	Notes
Capitalisation policy	Consistent with IM 5.3.11, CPP capex, including for spares, is capitalised in accordance with GAAP and WE's accounting policies. Consistent with IM 5.3.7 (3)(a)(iii), spares are depreciated for the purposes of GAAP consistent with the WE's accounting policies. In accordance with *NZ International Accounting Standards (NZ IAS) 16 - Property, Plant and Equipment* paragraph 8, WE recognises items such as spare parts, stand-by equipment and servicing equipment as property, plant and equipment when they meet the definition of property, plant and equipment. Otherwise such items are classified as inventory. The spare parts and stand-by equipment purchased as part of the earthquake readiness capital expenditure meet the definition of property, plant and equipment as these spare parts and stand-by equipment are tangible items that are held for use in the production or supply of goods and services and that are expected to be used during more than one financial year.
Asset allocation	Assets are 100% directly attributable to regulated electricity distribution services consistent with IM 5.3.6 (2) and 2.1.1 and the current information disclosures.
Commissioning	Assets are expected to be commissioned on average at 31 December in each regulatory year or 75% through the regulatory disclosure year. This impacts the calculation of RAB Proportionate Investment under IM 5.3.16 (3) and PV-vca under IM 5.3.2 (4)(d). To determine this assumption, the expected timing for when each class of asset will be ready for use (ie commissioned) has been estimated. Emergency hardware, critical emergency spares, seismic reinforcements, and communications equipment are generally expected to be commissioned in the September quarter of each year. Mobile substations and switchgear as well as data centres are expected to be commissioned in the March quarter of each year. These assumptions derive expenditure weighted average commissioning dates which fall in the December quarter. A 31 December commissioning date has been conservatively applied, as this allows for minor delays in the delivery and construction assumptions. Annual works under construction balances are expected to be nil given the assets have limited construction timeframes. Accordingly, all assets are assumed to be commissioned in the year of purchase.
Asset lives	Useful lives are determined consistent with IM Schedule A Table A.2 "Asset lives for CPP commissioned assets" as defined in IM 1.1.4. See Asset Category Summary sheet column C for categorisation by asset category
Cost escalation	Real capital expenditure forecasts (RY18 dollars) are converted into nominal forecasts using the costs escalators applied in the 2017 asset management plan.
Other adjustments	No other adjustments are made under IM 5.3.11. No assets are purchased from other regulated businesses or from related parties. No capital contributions or vested asets are expected in relation to the earthquake readiness expenditure.

Operating Expenditure	Notes
Expenditure policy	Forecast operating expenditure, including for storage of assets and IT related expenditure, is expensed for GAAP purposes consistent with the accounting policies.
Cost allocation	Operating expenditure is 100% directly attributable to regulated electricity distribution services consistent with IM 5.3.5(1) and 2.1.1 and the current information disclosures.
Cost escalation	Real operating expenditure forecasts (RY18 dollars) are converted into nominal forecasts using the costs escalators applied in the 2017 asset management plan.

Tax	Notes
Capitalisation Policy	All assets related to earthquake readiness expenditure are capitalised for tax purposes consistent with the applicable tax rules. All operating expenditure related to the earthquake readiness expenditure is expensed for tax purposes consistent with the tax rules.
Tax Depreciation	All earthquake readiness capital expenditure, including in relation to spares (as per IM 5.3.7 (3)), are depreciated for tax purposes, except for buildings which are not depreciated under the tax rules. Diminishing Value (DV) tax depreciation rates are applied consistent with tax depreciation rules (as defined in IM 1.1.4). See Column R of the 'CPP Capex' sheet for DV rates applied under IM 5.3.20 (3).
Tax Adjustments	Tax adjustments expected in relation to earthquake readiness expenditure include differences in the treatment of depreciation on buildings and RAB revaluations (which are both not deductible for tax purposes). Both are adjusted for in the IM's through the amortisation of revaluations under IM 5.3.18 and calculation of depreciation temporary differences under IM 5.3.20 (2). No other temporary or permanent tax differences are expected in relation to earthquake readiness expenditure under Part 5 Subpart 3 of the IMs.

Readiness Expenditure - Split of Cost by Asset Category (Detailed info)

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Emergency hardware (33kV faults)

33kV cables - Option 2 - Carry O/H line spares for vulnerable routes

			split by financial year			
Capex Costs	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
Design						
Civil Works						
Poles	Subtransmission Lines	160,274	-	160,274	-	
Poles - Already Purchased	Subtransmission Lines	-	-	-	-	
Conductor	Subtransmission Lines	443,949	-	221,975	221,975	
Post insulators	Subtransmission Lines	196,467	-	98,234	98,234	
Strain insulators	Subtransmission Lines	14,626	-	7,313	7,313	
Crossarms	Subtransmission Lines	35,609	-	17,805	17,805	
Heavy Bases	Subtransmission Lines	1,649,000	-	824,500	824,500	
Light Bases	Subtransmission Lines	1,368,000	-	684,000	684,000	
Base support blocks	Subtransmission Lines	249,120	-	249,120	-	
connector link	Subtransmission Lines	4,007	-	2,004	2,004	
angle braces	Subtransmission Lines	9,049	-	4,525	4,525	
Dead end	Subtransmission Lines	5,022	-	2,511	2,511	
33kV Terminations ID	Subtransmission Cables	23,161	-	-	23,161	
33kV Terminations OD	Subtransmission Cables	38,672	-	-	38,672	
33kV Interrupter Cable	Subtransmission Cables	120,000	-	-	120,000	
Transport		-	-	-	-	
Protection		-	-	-	-	
SCADA		-	-	-	-	
Communications		-	-	-	-	
Project Management	Subtransmission Lines	179,078	-	94,090	84,988	
Storage	Subtransmission Lines	160,000	-	80,000	80,000	
Decommissioning		-	-	-	-	
Environmental		-	-	-	-	
Freight		-	-	-	-	
subtotal		4,656,036	-	2,446,349	2,209,686	

		split by regulatory year			
Opex Costs (3 years)	**Cost**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Storage	670,125		223,375	223,375	223,375
subtotal	670,125		223,375	223,375	223,375

Carry 33 kV XLPE cable spares including jointing kits - option 4

			split by financial year			
Capex Costs	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
Design		-	-	-	-	
Civil Works		-	-	-	-	
Cable joints	Subtransmission Cables	32,400	-	32,400	-	
33kV Cable - 630mm	Subtransmission Cables	47,780	-	47,780	-	
<Secondary Equipment>		-	-	-	-	
<Other Equipment>		-	-	-	-	
Transport		-	-	-	-	
Protection		-	-	-	-	
SCADA		-	-	-	-	
Communications		-	-	-	-	
Project Management	Subtransmission Cables	3,207	-	3,207	-	
Storage		-	-	-	-	
Decommissioning		-	-	-	-	
Environmental		-	-	-	-	
subtotal		83,387	-	83,387	-	

		split by regulatory year			
Opex Costs (3 years)	**Cost**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Storage	-				
Testing	-				
O & M	-				
subtotal	-				

Mobile Substations and Switchboards

Portable Switchboard located in Lower Hutt (sub-option B)

			split by financial year			
Capex Costs	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
Switchboard	Zone substations	613,000	-	183,900	245,200	183,900
11kV Cable	Distribution and LV Cables	22,131	-	6,639	8,852	6,639
Terminations	Distribution and LV Cables	16,800	-	5,040	6,720	5,040
Joints	Distribution and LV Cables	12,084	-	3,625	4,834	3,625
		-				
Container Trailer	Zone substations	202,950	-	60,885	81,180	60,885
		-				
		-				
Project Management	Zone substations	34,679	-	10,404	13,871	10,404
subtotal		901,644	-	270,493	360,657	270,493

		split by regulatory year			
Opex Costs (3 years)	**Cost**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Testing	-				
Total	-	-	-	-	-

Mobile Substation in Hutt (sub-option C)

			split by financial year			
Capex Costs	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
Design	Zone substations	136,000	-	136,000	-	-
Mobile Substation - Primary						
Construction	Zone substations	680,000	-	-	340,000	340,000
Equipment	Zone substations	884,000	-	-	442,000	442,000
33kV Cable	Subtransmission Cables	14,336	-	-	7,168	7,168
11kV Cable	Distribution and LV Cables	22,131	-	-	11,066	11,066
Terminations - 11kV	Distribution and LV Cables	16,800	-	-	8,400	8,400
Terminations - 33kV	Subtransmission Cables	23,203	-	-	11,602	11,602
Joints - 11kV	Distribution and LV Cables	12,084	-	-	6,042	6,042
Project Management	Zone substations	68,000	-	5,440	31,280	31,280
Storage		-	-	-	-	-
Decommissioning		-	-	-	-	-
Environmental		-	-	-	-	-
Freight		-	-	-	-	-
subtotal		1,856,554	-	141,440	857,557	857,557

		split by regulatory year			
Opex cost (3 years)	**Cost**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Testing	-				
O & M	-		-	-	-
subtotal	-		-	-	-

Readiness Expenditure - Split of Cost by Asset Category (Detailed info)

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Mobile Substation in CBD (sub-option g)

			split by financial year			
Capex Cost	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
Design	Zone substations	136,000	-	136,000	-	-
Mobile Substation - Primary						
Construction	Zone substations	680,000	-	-	340,000	340,000
Equipment	Zone substations	884,000	-	-	442,000	442,000
		-	-	-	-	-
11kV Cable	Distribution and LV Cables	22,131	-	-	11,066	11,066
Terminations - 11kV	Distribution and LV Cables	16,800	-	-	8,400	8,400
Joints - 11kV	Distribution and LV Cables	12,084	-	-	6,042	6,042
Project Management	Zone substations	70,041	-	5,440	32,300	32,300
Storage	Zone substations	150,000	-	-	75,000	75,000
Decommissioning		-	-	-	-	-
Environmental		-	-	-	-	-
Freight		-	-	-	-	-
subtotal		1,971,056	-	141,440	914,808	914,808

		split by regulatory year			
Opex cost (3 years)	**Cost**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Storage	-				
Testing	-				
O & M	-		-	-	-
subtotal	-		-	-	-

Critical Emergency Spares (11kV cable faults)

11kV Emergency Spares Option 2

			split by financial year			
Capex Costs	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
Design						
Civil Works						
<Primary Equipment>						
Wellington Special - 500 kVA	Distribution Substations and Transformers	45,746	-	45,746	-	-
Transformer - 500 kVA	Distribution Substations and Transformers	98,198	-	98,198	-	-
Transformer - 750 kVA	Distribution Substations and Transformers	56,005	-	56,005	-	-
Ringmaster RMU	Distribution Switchgear	729,929	-	243,310	243,310	243,310
Transformer - Gen Connection	Distribution Substations and Transformers	98,198	-	-	98,198	-
Cable joints -Wellington	Distribution and LV Cables	271,008	-	90,336	90,336	90,336
Cable joints - Hutt Valley	Distribution and LV Cables	2,602,806	-	867,602	867,602	867,602
Cable - Wellington	Distribution and LV Cables	36,154	-	36,154	-	-
Cable - Hutt Valley	Distribution and LV Cables	235,372	-	78,457	78,457	78,457
Fault location equipment	Other Network Assets	580,383	-	-	580,383	-
	0					
	0					
	0					
	0					
<Secondary Equipment>		-	-	-	-	-
<Other Equipment>		-	-	-	-	-
Transport		-	-	-	-	-
Protection		-	-	-	-	-
SCADA		-	-	-	-	-
Communications		-	-	-	-	-
Project Management	Distribution and LV Cables	190,152	-	60,632	78,331	51,188
Storage		-	-	-	-	-
Decommissioning		-	-	-	-	-
Environmental		-	-	-	-	-
Freight		-	-	-	-	-
Total		4,943,951	-	1,576,440	2,036,618	1,330,893

		split by regulatory year			
Opex cost (3 years)	**Cost**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Storage - Wellington	-				
subtotal	-				

Seismic reinforcement of critical buildings (priority 1)

			split by financial year			
Capex Costs	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
		10,395,000		2,687,368	3,443,618	4,264,015
split by:						
Zone	Zone Substations (buildings)	4,170,000		1,078,049	1,381,422	1,710,528
Distribution	Distribution Substations (buildings)	6,225,000		1,609,318	2,062,195	2,553,487

Communication Systems

Data Centres

			split by financial year			
Capex Costs	**Asset Category**	**Cost**	**2017**	**2018**	**2019**	**2020**
Newtown Data Centre - Container	Non-network assets - Containers	635,000	-	-	635,000	-
Newtown Data Centre - Network and Data Equipment	Non-network assets - IT equipment	872,288	-	27,456	25,400	819,432
Haywards Data Centre	Non-network assets - IT equipment	880,568	-	27,456	853,112	-
Porirua Data Centre - Container	Non-network assets - Containers	635,000	-	-	635,000	-
Porirua Data Centre - Network and Data Equipment	Non-network assets - IT equipment	872,688	-	27,456	845,232	-
Communication systems - Phone exchange and NCR upgrade	Non-networks assets - Telecommunications	856,486	-	856,486	-	-
Communication systems - Voice Radio	Non-network assets - Radio	506,109		506,109		
Subtotal		5,258,139	-	1,444,963	2,993,744	819,432

		split by regulatory year			
Opex cost (3 years)	**Cost**	**2017/18**	**2018/19**	**2019/20**	**2020/21**
Local provider	151,536			-	151,536
Connection between Petone and Haywards	39,000			-	39,000
Phone exchange on-going cost	69,768			34,884	34,884
NCR Phone system on-going cost	37,440			18,720	18,720
Radio Monthly on-going cost	205,200			102,600	102,600
subtotal	502,944			156,204	346,740

Readiness Expenditure - Split of Cost by Asset Category (Summary info)

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Short Term Initiative	Project	Asset Category	Capex ($)	Opex ($) (3 years)	split of capex - financial year 2017	2018	2019	2020	split of capex - regulatory year RY17/18	RY18/19	RY19/20	RY20/21	split of opex - regulatory year RY17/18	RY18/19	RY19/20	RY20/21
Emergency hardware (33kV faults)	33kV cables - Option 2 - Carry O/H line spares for vulnerable routes	Subtransmission Lines	4,474,203		-	2,446,349	2,027,853	-		2,446,349	2,027,853					
Emergency hardware (33kV faults)	33kV cables - Option 2 - Carry O/H line spares for vulnerable routes	Subtransmission Cables	181,833		-	-	181,833	-			181,833					
Emergency hardware (33kV faults)	subtotal		4,656,036	670,125	-	2,446,349	2,209,686	-	-	2,446,349	2,209,686	-	-	223,375	223,375	223,375
Emergency hardware (33kV faults)	Carry 33 kV XLPE cable spares including jointing kits - option 4	Subtransmission Lines	-		-	-	-	-								
Emergency hardware (33kV faults)	Carry 33 kV XLPE cable spares including jointing kits - option 4	Subtransmission Cables	83,387		-	83,387	-	-		83,387						
Emergency hardware (33kV faults)	subtotal		83,387	-	-	83,387	-	-	-	83,387	-	-	-	-	-	-
Emergency hardware (33kV faults)	**total**		**4,739,423**	**670,125**	**-**	**2,529,737**	**2,209,686**	**-**	**-**	**2,529,737**	**2,209,686**	**-**	**-**	**223,375**	**223,375**	**223,375**
Mobile stations and switchboards	Portable Switchboard located in Lower Hutt (sub-option B)	Zone substations	850,629		-	255,189	340,251	255,189				850,629				
Mobile stations and switchboards	Portable Switchboard located in Lower Hutt (sub-option B)	Subtransmission Lines	-		-	-	-	-				-				
Mobile stations and switchboards	Portable Switchboard located in Lower Hutt (sub-option B)	Subtransmission Cables	-		-	-	-	-				-				
Mobile stations and switchboards	Portable Switchboard located in Lower Hutt (sub-option B)	Distribution and LV Cables	51,015		-	15,305	20,406	15,305				51,015				
Mobile stations and switchboards	Portable Switchboard located in Lower Hutt (sub-option B)	Distribution Switchgear	-		-	-	-	-				-				
Mobile stations and switchboards	subtotal		901,644	-	-	270,493	360,657	270,493	-	-	-	901,644	-	-	-	-
Mobile stations and switchboards	Mobile Substation in Hutt (sub-option C)	Zone substations	1,768,000		-	141,440	813,280	813,280				1,768,000				
Mobile stations and switchboards	Mobile Substation in Hutt (sub-option C)	Subtransmission Cables	37,539		-	-	18,769	18,769				37,539				
Mobile stations and switchboards	Mobile Substation in Hutt (sub-option C)	Distribution and LV Cables	51,015		-	-	25,508	25,508				51,015				
Mobile stations and switchboards	subtotal		1,856,554	-	-	141,440	857,557	857,557	-	-	-	1,856,554	-	-	-	-
Mobile stations and switchboards	Mobile Substation in CBD (sub-option g)	Zone substations	1,920,041		-	141,440	889,300	889,300				1,920,041				
Mobile stations and switchboards	Mobile Substation in CBD (sub-option g)	Subtransmission Lines	-		-	-	-	-				-				
Mobile stations and switchboards	Mobile Substation in CBD (sub-option g)	Subtransmission Cables	-		-	-	-	-				-				
Mobile stations and switchboards	Mobile Substation in CBD (sub-option g)	Distribution and LV Cables	51,015		-	-	25,508	25,508				51,015				
Mobile stations and switchboards	Mobile Substation in CBD (sub-option g)	Distribution Switchgear	-		-	-	-	-				-				
Mobile stations and switchboards	subtotal		1,971,056	-	-	141,440	914,808	914,808	-	-	-	1,971,056	-	-	-	-
Mobile Substations and switchboards	**total**		**4,729,253**	**-**	**-**	**553,373**	**2,133,022**	**2,042,858**	**-**	**-**	**-**	**4,729,253**	**-**	**-**	**-**	**-**
Critical Emergency Spares (11kV cable faults)	11kV Emergency Spares (Option 2)	Distribution Substations and Transformers	298,147		-	199,949	98,198	-		199,949	98,198					
Critical Emergency Spares (11kV cable faults)	11kV Emergency Spares (Option 2)	Distribution and LV Cables	3,335,492		-	1,133,181	1,114,727	1,087,584		1,133,181	1,114,727	1,087,584				
Critical Emergency Spares (11kV cable faults)	11kV Emergency Spares (Option 2)	Other Network Assets	580,383		-	-	580,383	-			580,383					
Critical Emergency Spares (11kV cable faults)	11kV Emergency Spares (Option 2)	Distribution Switchgear	729,929		-	243,310	243,310	243,310		243,310	243,310	243,310				
Critical Emergency Spares (11kV cable faults)	**total**		**4,943,951**	**-**	**-**	**1,576,440**	**2,036,618**	**1,330,893**	**-**	**1,576,440**	**2,036,618**	**1,330,893**	**-**	**-**	**-**	**-**
Seismic reinforcement of critical buildings	Seismic Reinforcement - zone substations	Zone Substations (buildings)	4,170,000		-	1,078,049	1,381,422	1,710,528	-	1,078,049	1,381,422	1,710,528				
Seismic reinforcement of critical buildings	Seismic Reinforcement - distribution substations	Distribution Substations (buildings)	6,225,000		-	1,609,318	2,062,195	2,553,487	-	1,609,318	2,062,195	2,553,487				
Seismic reinforcement of critical buildings	**total**		**10,395,000**		**-**	**2,687,368**	**3,443,618**	**4,264,015**	**-**	**2,687,368**	**3,443,618**	**4,264,015**	**-**	**-**	**-**	**-**
Communication Systems	Data Centres	Non-network assets - Containers	1,270,000		-	-	1,270,000	-			1,270,000					
Communication Systems	Data Centres	Non-network assets - IT equipment	2,625,544		-	82,368	1,723,744	819,432			1,753,256	872,288				
Communication Systems	Comms	Non-networks assets - Telecommunications	856,486		-	856,486	-	-		856,486						
Communication Systems	Comms	Non-network assets - Radio	506,109		-	506,109	-	-		506,109						
Communication Systems	**total**		**5,258,139**	**502,944**	**-**	**1,444,963**	**2,993,744**	**819,432**	**-**	**1,362,595**	**3,023,256**	**872,288**	**-**	**-**	**156,204**	**346,740**
Total			**30,065,766**	**1,173,069**	**-**	**8,791,880**	**12,816,688**	**8,457,198**	**-**	**8,156,139**	**10,713,178**	**11,196,449**	**-**	**223,375**	**379,579**	**570,115**
Check >			Ok	Ok				Ok				Ok				Ok

Reconciliation to Jacobs version

Total per version sent to Jacobs	30,065,766	1,173,069
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Readiness Expenditure - CPP capital expenditure

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Summary

RAB	Nominal, $000				
	2018/19	2019/20	2020/21	Asset lives	Flag
Subtransmission Lines	2,495	2,110	-	55.00	1
Subtransmission Cables	85	189	40	55.00	2
Zone Substations	1,100	1,437	6,632	45.00	3
Distribution and LV Lines	-	-	-	60.00	4
Distribution and LV Cables	1,156	1,160	1,317	55.00	5
Distribution Substations and Transformers	1,845	2,248	2,710	45.00	6
Distribution Switchgear	248	253	258	40.00	7
Other Network Assets	-	604	-	25.00	8
Non-network assets	1,390	3,145	926	15.00	9
Total	**8,319**	**11,146**	**11,882**		
Check >	Ok	Ok	Ok		

Tax	Nominal, $000				
	2018/19	2019/20	2020/21	Asset lives	Flag
-	2,741	3,583	4,525	-	1
8.0%	4,188	3,814	6,431	8.0%	2
10.0%	-	1,925	-	10.0%	3
20.0%	874	-	-	20.0%	4
25.0%	516	-	-	25.0%	5
50.0%	-	1,824	926	50.0%	6
Total	**8,319**	**11,146**	**11,882**		
Check >	Ok	Ok	Ok		

Inflation

	Inflation			Index		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
Inflation	2.00%	2.00%	2.00%	1.02	1.04	1.06

Capital expenditure

	Real RY18, $000			Index			Nominal, $000			Asset lives		Flags	
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	RAB	Tax	RAB	Tax
Subtransmission Lines	2,446	2,028	-	1.02	1.04	1.06	2,495	2,110	-	55	8.0%	1	2
Subtransmission Cables	83	182	38	1.02	1.04	1.06	85	189	40	55	8.0%	2	2
Zone Substations	-	-	4,539	1.02	1.04	1.06	-	-	4,816	45	8.0%	3	2
Zone Substations (buildings)	1,078	1,381	1,711	1.02	1.04	1.06	1,100	1,437	1,815	45	-	3	1
Distribution and LV Lines	-	-	-	1.02	1.04	1.06	-	-	-	60	8.0%	4	2
Distribution and LV Cables	1,133	1,115	1,241	1.02	1.04	1.06	1,156	1,160	1,317	55	8.0%	5	2
Distribution Substations and Transformers	200	98	-	1.02	1.04	1.06	204	102	-	45	8.0%	6	2
Distribution Substations (buildings)	1,609	2,062	2,553	1.02	1.04	1.06	1,642	2,146	2,710	45	-	6	1
Distribution Switchgear	243	243	243	1.02	1.04	1.06	248	253	258	40	8.0%	7	2
Other Network Assets	-	580	-	1.02	1.04	1.06	-	604	-	25	10.0%	8	3
Non-network assets - Containers	-	1,270	-	1.02	1.04	1.06	-	1,321	-	15	10.0%	9	3
Non-network assets - IT equipment	-	1,753	872	1.02	1.04	1.06	-	1,824	926	15	50.0%	9	6
Non-networks assets - Telecommunications	856	-	-	1.02	1.04	1.06	874	-	-	15	20.0%	9	4
Non-network assets - Radio	506	-	-	1.02	1.04	1.06	516	-	-	15	25.0%	9	5
Total	**8,156**	**10,713**	**11,196**				**8,319**	**11,146**	**11,882**				
Check >	Ok	Ok	Ok				Ok	Ok	Ok				

Readiness Expenditure - CPP operating expenditure

Model Check >	Ok
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Inflation

	Inflation			Index		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
Inflation	2.00%	2.00%	2.00%	1.02	1.04	1.06

Operating expenditure

	Real RY18, $000			Index			Nominal, $000		
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21
Operating expenditure	223	380	570	1.02	1.04	1.06	228	395	605

Readiness Expenditure - Output for CPP Model

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Operating expenditure

	Nominal, $000		
	2018/19	2019/20	2020/21
Operating expenditure	228	395	605

Capital expenditure

	Nominal, $000		
	2018/19	2019/20	2020/21
Capital expenditure	8,319	11,146	11,882

Commissioned asset - tax

	Nominal, $000		
	2018/19	2019/20	2020/21
-	2,741	3,583	4,525
8.00%	4,188	3,814	6,431
10.00%	-	1,925	-
20.00%	874	-	-
25.00%	516	-	-
50.00%	-	1,824	926
Total	**8,319**	**11,146**	**11,882**
Check >	Ok	Ok	Ok

Commissioned asset - RAB

	Nominal, $000			Remaining life			
	2018/19	2019/20	2020/21	2018/19	2019/20	2020/21	Flag
RY19 readiness expenditure - Subtransmission lines	2,495	-	-	-	55	54	1
RY20 readiness expenditure - Subtransmission lines	-	2,110	-	-	-	55	1
RY21 readiness expenditure - Subtransmission lines	-	-	-	-	-	-	1
RY19 readiness expenditure - Subtransmission cables	85	-	-	-	55	54	2
RY20 readiness expenditure - Subtransmission cables	-	189	-	-	-	55	2
RY21 readiness expenditure - Subtransmission cables	-	-	40	-	-	-	2
RY19 readiness expenditure - Zone substations	1,100	-	-	-	45	44	3
RY20 readiness expenditure - Zone substations	-	1,437	-	-	-	45	3
RY21 readiness expenditure - Zone substations	-	-	6,632	-	-	-	3
RY19 readiness expenditure - Distribution and LV lines	-	-	-	-	60	59	4
RY20 readiness expenditure - Distribution and LV lines	-	-	-	-	-	60	4
RY21 readiness expenditure - Distribution and LV lines	-	-	-	-	-	-	4
RY19 readiness expenditure - Distribution and LV cables	1,156	-	-	-	55	54	5
RY20 readiness expenditure - Distribution and LV cables	-	1,160	-	-	-	55	5
RY21 readiness expenditure - Distribution and LV cables	-	-	1,317	-	-	-	5
RY19 readiness expenditure - Distribution substations and transformers	1,845	-	-	-	45	44	6
RY20 readiness expenditure - Distribution substations and transformers	-	2,248	-	-	-	45	6
RY21 readiness expenditure - Distribution substations and transformers	-	-	2,710	-	-	-	6
RY19 readiness expenditure - Distribution swirchgear	248	-	-	-	40	39	7
RY20 readiness expenditure - Distribution swirchgear	-	253	-	-	-	40	7
RY21 readiness expenditure - Distribution swirchgear	-	-	258	-	-	-	7
RY19 readiness expenditure - Other network assets	-	-	-	-	25	24	8
RY20 readiness expenditure - Other network assets	-	604	-	-	-	25	8
RY21 readiness expenditure - Other network assets	-	-	-	-	-	-	8
RY19 readiness expenditure - Non-network asset	1,390	-	-	-	15	14	9
RY20 readiness expenditure - Non-network asset	-	3,145	-	-	-	15	9
RY21 readiness expenditure - Non-network asset	-	-	926	-	-	-	9
Total	**8,319**	**11,146**	**11,882**				
Check >	Ok	Ok	Ok				