



New Zealand Gazette

OF THURSDAY, 17 AUGUST 2000

WELLINGTON: MONDAY, 21 AUGUST 2000 — ISSUE NO. 99

ORION NEW ZEALAND LIMITED

INFORMATION FOR DISCLOSURE

PURSUANT TO THE GAS (INFORMATION
DISCLOSURE) REGULATIONS 1997

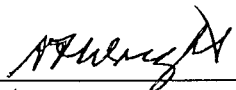
ORION NEW ZEALAND LIMITED

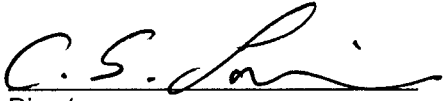
The following public disclosures are made by Orion New Zealand Limited ("Orion") in accordance with the Gas (Information Disclosure) Regulations 1997 (the "Regulations").

The disclosures cover the period from 1 April 1999 to 31 March 2000 and provide comparatives for prior years where required by the Regulations.

Gas (Information Disclosure) Regulations 1997 Regulation 6 - Financial Statement disclosure by pipeline owners

For and on behalf of directors:


Director
25 July 2000


Director
25 July 2000

STATEMENT OF FINANCIAL PERFORMANCE

For the year ended 31 March	Distribution 2000 \$000's	Distribution 1999 \$000's	Retail 2000 \$000's	Retail 1999 \$000's
Revenue	62,352	71,393	49,437	176,634
Expenses	31,646	50,582	44,936	138,961
Surplus before taxation	30,706	20,811	4,501	37,673
Taxation expense	8,996	23,279	1,476	938
Net surplus after taxation attributable to Parent Company shareholders	21,710	(2,468)	3,025	36,735

STATEMENT OF FINANCIAL POSITION

For the year ended 31 March	Notes	Distribution 2000 \$000's	Distribution 1999 \$000's	Retail 2000 \$000's	Retail 1999 \$000's
CURRENT ASSETS					
Bank and short term deposits		57	-	-	-
Trade debtors		722	58,117	5,153	60,266
Inventories		333	872	-	-
Fixed assets held for sale	1	280,000	-	866	-
Tax provision		8,687	-	772	-
Total Current Assets		289,799	58,989	6,791	60,266
LONG TERM ASSETS					
Long term debtors		448	800	-	106
Total long term assets		448	800	-	106
FIXED ASSETS					
Land and Buildings		-	8,990	-	-
Distribution network and equipment		-	260,407	-	-
Fixtures and fittings		-	7,714	-	290
Motor vehicles		-	1,386	-	52
Work in progress		-	6,980	-	-
Total fixed assets		-	285,477	-	342
Total assets		290,247	345,266	6,791	60,714

STATEMENT OF FINANCIAL POSITION (CONTINUED)

For the year ended 31 March	Notes	Distribution 2000 \$000's	Distribution 1999 \$000's	Retail 2000 \$000's	Retail 1999 \$000's
CURRENT LIABILITIES					
Trade creditors		6,317	5,335	3,796	10,717
Employee entitlements		259	489	17	18
Bank overdrafts and short term debt		-	83,058	-	1,496
		<hr/>	<hr/>	<hr/>	<hr/>
Total current liabilities		6,576	88,882	3,813	12,231
NON CURRENT LIABILITIES					
Deferred tax				-	-
Long term payable		-	-	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total non current liabilities				-	-
EQUITY					
		283,671	256,384	2,978	48,483
		<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities and equity		<u>290,247</u>	<u>345,266</u>	<u>6,791</u>	<u>60,714</u>

STATEMENT OF ACCOUNTING POLICIES

Reporting entity

Orion New Zealand Limited ("the Company") is a company registered under the Companies Act 1993.

The Company is a reporting entity for the purposes of the Financial Reporting Act 1993.

Special purpose financial statements

These financial statements have been prepared for the purpose of complying with the requirements of the Gas (Information Disclosure) Regulations 1997 ("*Regulations*"). These financial statements should be read in conjunction with the Company's annual report for the year ended 31 March 2000.

The avoidable cost methodology has been employed by the Company to determine the allocation of the assets, liabilities, revenues and costs.

The avoidable cost methodology defines the Company's distribution business as its core activity. An assessment has then been made as to what assets, liabilities, revenues and costs could be avoided by the distribution business.

Those costs that can be avoided are allocated to the other business activities of the Company and those costs that could not be avoided are allocated to the distribution business.

A full description of the avoidable cost methodology employed by the Company is publicly available as required by Regulation 21 of the Gas (Information Disclosure) Regulations 1997.

Measurement base

The measurement system adopted is that of historical cost except for the revaluation of certain fixed assets.

Specific accounting policies

The following specific accounting policies which materially affect the measurement of financial performance, cash flows and financial position are applied:

- (a) **Accounts receivable**
Accounts receivable are valued at their expected realisable value. Any individual debt that is considered to be irrecoverable has been written-off during the financial year. Hire Purchase debtors exclude unearned interest calculated using the "rule of 78" method.
- (b) **Fixed assets**
All fixed assets are revalued at least once every three years by independent valuers in accordance with SSAP 28. Any subsequent fixed asset additions are recorded at cost until the next revaluation.
- (c) **Depreciation**
Depreciation is charged against all fixed assets, with the exception of freehold land on a straight line basis at rates which amortise the cost or revalued amount of each asset over their estimated economic lives.

The main bases are periods not exceeding:

Leasehold land and buildings	14 years
Buildings	20 years
Distribution Network and equipment	80 years
Motor vehicles	5 years
Fixtures and fittings	5 years

(d) Taxation

The income tax expense charged against the surplus for the year is the estimated liability in respect of that surplus and is calculated after allowance for permanent differences and timing differences which are not expected to reverse in the future periods. This is the partial basis for the calculation of deferred tax. Tax effect accounting is applied on a partial basis using the liability method. A debit balance in the deferred tax account, arising from timing differences or income tax benefits from income tax losses, is only recognised if there is virtual certainty of realisation.

(e) Valuation of inventories

Inventories are valued at the lower of cost (FIFO or weighted average) or net realisable value on a basis consistent with the previous year. An allowance for obsolescence has been assessed on inventories where appropriate.

Internal sales

Due to the separation of the distribution business from the other contestable business activities, internal transactions between business activities have not been eliminated.

Changes in accounting policies

There have been no changes in accounting policies. The policies have been applied on bases consistent with those used in previous years.

NOTES TO THE FINANCIAL STATEMENTS

1. Fixed assets held for sale

Fixed assets held for sale at 31 March 2000 are as follows:

	Distribution 2000 \$000's	Distribution 1999 \$000's	Retail 2000 \$000's	Retail 1999 \$000's
Land and Buildings	6,750	-	-	-
Distribution network and equipment	261,881	-	723	-
Fixtures and fittings	6,410	-	112	-
Motor vehicles	696	-	31	-
Work in progress	4,263	-	-	-
Total	280,000	-	866	-

2. Significant events after balance date

Effective 1 April 2000, the Company sold its North Island gas networks and contracting activities to UnitedNetworks Limited for \$550 million.

Effective 30 April 2000, the Company sold its industrial gas trading business to Contact Energy Limited for \$10.2 million.

Both of these sales cease the Company's operations in these sectors.

The resulting tax liability on depreciation recovered on the assets sold as part of these transactions is expected to be approximately \$21.1 million.

The net surplus after tax on the sale of the above activities is estimated as follows:

➤ gas networks and contracting activities	\$181.9m
➤ industrial gas trading activities	\$5.3m.

These net surpluses will be reported in the financial statements for the Company in the year ended 31 March 2001.

Regulation 15

Disclosure by line owners of financial and efficiency performance measures

1. Financial performance measures

	2000	1999	1998	1997
(a) Accounting return on total assets	11.35%	10.64%	12.22%	10.13%
(b) Accounting return on equity	8.04%	-0.95%	6.62%	6.45%
(c) Accounting rate of profit	1.54%	6.82%	9.51%	35.25%

2. Efficiency performance measures

(a) Direct line costs per km	1,086	2,565	2,328	4,207
(b) Indirect line costs per customer*	108	160	202	163

* Due to one-off costs associated with restructuring in 1999, the actual indirect costs were higher. If the costs associated with restructuring were included, the indirect cost per customer in 1999 would have been \$181.

Note that the direct line cost per km in 2000 has been affected by the inclusion of services within the calculation of system length. Refer to Orion's Regulation 17 Disclosures for additional information.



Audit New Zealand

CERTIFICATION BY AUDITOR IN RELATION TO FINANCIAL STATEMENTS

I have examined the attached financial statements prepared by Orion New Zealand Limited and dated 25 July 2000 for the purposes of regulation 6 of the Gas (Information Disclosure) Regulations 1997.

I certify that, having made all reasonable enquiry, to the best of my knowledge, those financial statements have been prepared in accordance with the requirements of the Gas (Information Disclosure) Regulations 1997.

A handwritten signature in black ink, appearing to read 'J L Palmer', with a large, stylized initial 'J'.

J L Palmer
Audit New Zealand
On behalf of the Controller and Auditor-General
25 July 2000



Audit New Zealand

CERTIFICATION OF PERFORMANCE MEASURES BY AUDITOR

I have examined the attached information, being -

- (a) Financial performance measures specified in clause 1 of Part 2 of Schedule 1 of the Gas (Information Disclosure) Regulations 1997; and
- (b) Financial components of the efficiency performance measures specified in clause 2 of Part 2 of that Schedule, -

and having been prepared by Orion New Zealand Limited and dated 25 July 2000 for the purposes of regulation 15 of those regulations.

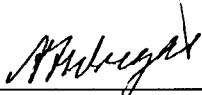
I certify that, having made all reasonable enquiry, to the best of my knowledge, that information has been prepared in accordance with the Gas (Information Disclosure) Regulations 1997.

J L Palmer
Audit New Zealand
On behalf of the Controller and Auditor-General
25 July 2000

Regulation 32(2)**Certification of Financial Statements, Performance Measures and statistics disclosed by pipeline owners other than the Corporation**

We, Sir Allan Frederick Wright and Christopher Stephen Laurie, directors of Orion New Zealand Limited certify that, having made all reasonable enquiry, to the best of our knowledge:

- (a) the attached audited financial statements of Orion New Zealand Limited prepared for the purposes of Regulation 6 of the Gas (Information Disclosure) Regulations 1997, comply with the requirements of that regulation; and
- (b) the attached information, being financial performance measures, efficiency performance measures, energy delivery performance measures and statistics, and reliability performance measures in relation to Orion New Zealand Limited and having been prepared for the purposes of Regulations 15 to 19 of the Gas (Information Disclosure) Regulations 1997, complies with the requirements of those regulations.



Sir Allan Frederick Wright



Christopher Stephen Laurie

25 July 2000

Regulation 17

Energy delivery efficiency performance measures and statistics

The information below is contained in the following tables:

Load factor	Load factor, as calculated by the formula: $a/(12 \times b)$ expressed as a percentage, where a is the amount of gas entering the system or systems during the financial year; and b is the maximum monthly amount of gas entering the system or systems.
UFG%	Unaccounted-for gas ratio, as calculated by the formula: a/b expressed as a percentage, where a is the amount of unaccounted-for gas during the financial year; and b is the amount of gas entering the system or systems during the financial year.
System length	The system length of each system in kilometres (being the average of the length at the beginning and end of the financial year).
Max month	The maximum monthly amount of gas (in gigajoules) entering the system or systems during the financial year.
Total conveyed	The total amount of gas (in gigajoules) conveyed through the system or systems during the financial year.
Conveyed for others	The total amount of gas (in gigajoules) conveyed through the system or systems during the financial year on behalf of other persons who are gas wholesalers or gas retailers, or both, not being persons who are in a prescribed business relationship with the pipeline owner.
No of customers	The total number of customers being supplied by means of a system, (being the average of the number of customers supplied at the beginning and end of the financial year).

System	Load Factor				Unaccounted for gas% (UFG%)			
	96-97	97-98	98-99	99-00	96-97	97-98	98-99	99-00
	%	%	%	%	%	%	%	%
Alfriston	47.61	42.39	37.61	43.31	- 6.68	- 8.93	- 13.95	-14.44
Ashhurst	63.32	63.04	55.30	58.92	1.27	- 0.26	~ 1.97	-1.97
Auckland Central	78.77	80.08	84.28	81.37	3.00	3.48	~ 2.51	2.45
Bruce McLaren	80.35	74.02	79.67	82.63	- 8.46	0.73	~ 0.31	~ 0.31
Dannevirke	80.61	83.25	84.21	81.71	1.66	- 0.51	~ 0.78	0.41
Drury	62.21	61.66	66.03	63.58	- 3.89	- 1.49	- 2.21	0.06
Fielding	60.47	64.90	68.42	68.50	- 0.66	1.78	~ 2.10	0.04
Foxton	63.96	70.47	66.02	77.19	2.41	- 0.48	0.51	1.78
Hastings	80.10	84.46	70.70	76.59	2.01	1.41	~ 1.14	0.75
Hunua	68.19	63.86	79.11	70.95	- 3.09	- 3.01	- 1.30	0.19
Kakariki	69.99	66.22	76.48	71.62	- 0.10	0.06	- 0.28	0.65
Kairanga	26.15	27.84	12.30	14.31	- 2.76	-12.55	- 8.91	-1.54
Kingseat	59.56	26.29	38.94	32.52	-12.78	- 6.84	- 16.04	-17.67
Levin	64.90	64.79	67.27	66.70	1.16	1.88	~ 1.29	1.10
Longburn	64.46	51.14	62.72	54.80	1.23	2.75	~ 2.07	-1.96
Mangaroa	46.27	58.24	41.05	55.37	-1.10	0.00	0.91	1.25
Mangatainoka	89.20	77.78	82.96	83.63	1.17	3.08	6.23	3.84
Oroua Downs	16.90	13.96	14.38	15.62	1.74	- 7.51	8.07	4.89
Pahiatua	69.63	64.28	70.61	73.35	0.74	0.52	~ 0.95	-0.11
Palmerston North	56.58	60.64	61.14	55.79	4.52	3.57	1.33	~ 1.04
Pukekohe	77.38	75.33	73.24	74.78	- 2.27	- 0.47	~ 1.18	~ 1.94
Ramarama	50.45	46.66	59.65	53.93	- 1.17	- 1.98	- 4.37	-3.09
Takapau	77.36	68.95	80.47	63.69	1.13	- 1.39	0.77	0.86
Tuakau	63.12	72.73	72.39	78.91	0.32	2.30	1.14	0.31
Waimauku	38.05	52.26	63.74	21.32	- 4.53	- 5.02	- 3.24	-5.11
Waiuku	87.28	78.32	79.29	81.00	3.30	0.79	2.15	1.81
Wellington	59.53	63.67	63.05	63.86	1.72	3.45	3.24	~ 2.50
					2.35	2.94	2.13	1.89

Estimated figures are indicated by ~, *, ^ and #.

See Regulation 19: Use of estimated information in certain cases, for an explanation of how estimates have been calculated.

System	System Length				Max Month			
	96-97	97-98	98-99	99-00	96-97	97-98	98-99	99-00
	kms	kms	kms	kms	GJ	GJ	GJ	GJ
Alfriston	0.254	0.254	0.254	0.254	2509	2463	2083	2265
Ashhurst	21.455	22.045	22.210	22.287	1251	1343	1421	1240
Auckland Central	2999.441	3615.762	3936.174	4142.472	1074475	1062753	971608	1039723
Bruce McLaren	23.514	36.084	55.245	65.389	19880	20557	20014	23075
Dannevirke	12.553	15.123	16.148	16.611	6985	6592	8001	9038
Drury	7.886	7.979	8.444	8.829	6242	5796	5477	7289
Fielding	160.458	164.039	165.486	166.129	42194	40026	37414	38019
Foxton	32.021	32.686	33.168	33.296	6477	5919	6304	6152
Hastings	320.067	368.310	379.323	385.487	159185	164082	179128	174029
Hunua	1.086	1.314	1.788	2.034	6442	11510	19360	15678
Kakariki	7.364	7.339	7.339	7.339	5336	4752	4976	6179
Kairanga	1.499	1.524	1.524	1.524	1600	1004	768	1168
Kingseat	6.432	6.460	6.460	6.460	1622	811	403	512
Levin	197.660	200.758	204.121	205.978	40227	41519	36735	39410
Longburn	34.446	36.193	36.292	36.358	94700	49667	31189	41211
Mangaroa	0.003	0.003	0.003	0.003	1808	1802	2994	2609
Mangatainoka	1.171	1.171	1.171	1.171	4761	4650	3554	3193
Oroua Downs	3.679	3.713	3.713	3.713	2076	3107	3038	2303
Pahiatua	11.570	11.804	11.877	11.909	55789	55824	49155	47063
Palmerston North	699.683	722.841	731.954	738.274	141075	128236	112879	126488
Pukekohe	11.924	12.386	12.698	12.923	4301	4589	3858	3970
Ramarama	0.655	0.655	0.655	0.655	1244	1546	1405	2737
Takapau	4.001	4.001	4.001	4.001	10622	11269	9972	14109
Tuakau	4.077	4.077	4.077	4.077	17191	15917	15141	13395
Waimauku	0.353	0.353	0.353	0.177	537	1873	2210	3386
Waiuku	0.145	0.145	0.145	0.145	393	351	200	125
Wellington	792.654	855.373	893.934	902.913	290603	270279	239105	235119
Total	5356.049	6132.391	6538.554	6780.407				

Estimated figures are indicated by ~, *, ^ and #.

See Regulation 19: Use of estimated information in certain cases, for an explanation of how estimates have been calculated.

Notes:

- (a) System lengths now include services pipe lengths. Prior year comparatives have been restated consistently.
- (b) The Waimauku system was reclassified within the Auckland Central system in June 1999.

System	Total Conveyed				Conveyed for others			
	96-97	97-98	98-99	99-00	96-97	97-98	98-99	99-00
	GJ	GJ	GJ	GJ	GJ	GJ	GJ	GJ
Alfriston	15291	13649	10711	13473	0	0	575	13473
Ashhurst	9626	10185	9244	8941	0	0	1820	8941
Auckland Central	9852525	9856805	9580286	9903828	67449	106979	1494692	5506153
Bruce McLaren	207883	181260	190751	228084	0	21504	82027	205543
Dannevirke	68695	66190	80225	88253	0	0	12168	51088
Drury	48414	43529	44354	55577	0	0	12768	55577
Fielding	304180	306170	300731	312378	0	0	29269	120128
Foxton	50913	50292	49683	55971	0	0	3728	22420
Hastings	1560735	1639625	1502380	1587503	0	0	171658	727935
Hunua	54346	90864	186195	133229	17960	27511	47135	57991
Kakariki	44771	37738	45791	52761	0	0	0	0
Kairanga	5368	3775	1235	2036	0	0	487	2036
Kingseat	13074	2734	2185	2351	0	0	208	2351
Levin	316918	316717	292703	311986	0	0	61238	273427
Longburn	741588	296410	229888	276330	0	0	26603	180302
Mangaroa	9928	12593	14613	17119	0	0	2113	17119
Mangatainoka	51555	42066	33179	30815	0	0	0	0
Oroua Downs	4507	5594	4819	4106	0	0	1760	4106
Pahiatua	469610	428350	420460	414718	0	0	1080	268882
Palmerston North	1001069	899864	817241	838059	0	0	147259	709408
Pukekohe	40840	41678	33509	34935	0	0	8405	29896
Ramarama	7619	8827	10496	18259	0	0	8203	18259
Takapau	99719	94546	95548	106892	0	0	0	28881
Tuakau	129789	135719	130026	126454	0	0	3976	18288
Waimauku	2563	12337	17451	9104	0	0	3316	9104
Waiuku	3980	3273	1862	1193	0	0	476	1193
Wellington	2111660	1993779	1750345	1756586	0	0	279373	1686978
Total	17227166	16594569	15855911	16390940	85409	155994	2400337	10019479

Estimated figures are indicated by ~, *, ^ and #.

See Regulation 19: Use of estimated information in certain cases, for an explanation of how estimates have been calculated.

Note:

Total GJ conveyed disclosed is based on the GJ conveyed to customers - ie GJ input into the system adjusted by the UFG factor for that system. Prior year comparatives have been restated consistently.

System	No of customers			
	96-97	97-98	98-99	99-00
Alfriston	1	1	1	1
Ashhurst	240	241	235	240
Auckland Central	48910	55987	58197	59716
Bruce McLaren	106	128	207	276
Dannevirke	139	145	146	145
Drury	28	28	31	30
Fielding	2124	2132	2111	2172
Foxton	455	457	455	466
Hastings	4188	4206	4385	4671
Hunua	8	8	10	7
Kakariki	1	1	1	1
Kairanga	6	6	6	6
Kingseat	3	3	3	3
Levin	3862	3840	3862	3958
Longburn	418	427	432	460
Mangaroa	1	1	1	1
Mangatainoka	2	2	2	1
Oroua Downs	4	4	4	4
Pahiatua	121	125	122	121
Palmerston North	15337	15597	15584	15989
Pukekohe	93	93	105	98
Ramarama	2	2	3	3
Takapau	1	1	1	1
Tuakau	14	14	16	15
Waimauku	2	2	3	2
Waiuku	1	1	1	1
Wellington	24173	24925	25293	26245
Total	100239	108377	111217	114633

Estimated figures are indicated by ~, *, ^ and # .

See Regulation 19: Use of estimated information in certain cases, for an explanation of how estimates have been calculated.

Regulation 18

Reliability performance measures

Unplanned interruptions in distribution system

The following information is contained in the table below:

Unplanned interruption measure (within Distribution System)	The measure of unplanned interruptions (other than those directly resulting from unplanned interruptions of a transmission system), calculated by the formula: a/b where a is the sum obtained by adding together the number of customer-hours lost during each interruption; and b is the total number of customers being supplied by means of the system.
Unplanned interruption measure (resulting from Transmission interruptions)	The measure of unplanned interruptions directly resulting from unplanned interruptions of a transmission system, calculated by the formula: a/b where a is the sum obtained by adding together the number of customer-hours lost during each interruption; and b is the total number of customers being supplied by means of the system.

System	Unplanned Interruption Measure (within Distribution System)				Unplanned Interruption Measure (resulting from Transmission Interruptions)			
	96-97	97-98	98-99	99-00	96-97	97-98	98-99	99-00
Alfriston	0 #	0	0	0	0	0	0	0
Ashhurst	0 *	0	0	0	0	0	0	0
Auckland Central	0.0022 #	0.0022 ^	0.0025 ^	0.0133	0	0	0	0
Bruce McLaren	0 #	0	0	0	0	0	0	0
Dannevirke	0 *	0.0138 ^	0.0034 ^	0.0044	0	0	0	0
Drury	0 #	0	0	0	0	0	0	0
Fielding	0.0179 *	0.0009 ^	0.0007 ^	0.0035	0	0	0	0
Foxton	0.0286 *	0	0.0033 ^	0.0033	0	0	0	0
Hastings	0.1830 *	0.2089 ^	0.0029 ^	0.0032	0	0	0	0
Hunua	0 #	0	0	0	0	0	0	0
Kakariki	0 *	0	0	0	0	0	0	0
Kairanga	0 *	0	0	0	0	0	0	0
Kingseat	0 #	0	0	0	0	0	0	0
Levin	0.0109 *	0.0018 ^	0.0001 ^	0.0024	0	24.0000 ^	0	0
Longburn	0 *	0	0.0023 ^	0.0036	0	0	0	0
Mangaroa	0 *	0	0	0	0	0	0	0
Mangatainoka	0 *	0	0	0	0	0	0	0
Oroua Downs	0 *	0	0	0	0	0	0	0
Pahiatua	0 *	0.0240 ^	0.0041 ^	0.0038	0	0	0	0
Palmerston North	0.0094 *	0.0031 ^	0.0010 ^	0.0021	0	2.8852 ^	0	0
Pukekohe	0 #	0	0	0	0	0	0	0
Ramarama	0 #	0	0	0	0	0	0	0
Takapau	0 *	0	0	0	0	0	0	0
Tuakau	0 #	0	0	0	0	0	0	0
Waimauku	0 #	0	0	0	0	0	0	0
Waiuku	0 #	0	0	0	0	0	0	0
Wellington	0.0024 ^	0.0050 ^	0.0041 ^	0.0215	0	0	0	0

Estimated figures are indicated by ~, *, ^ and #.

See Regulation 19: Use of estimated information in certain cases, for an explanation of how estimates have been calculated.

Regulation 19

Use of estimated information in certain cases

If any information for Regulations 17 or 18 is not available, the pipeline owner may use estimated information for that purpose and, in that case, (i) identify the information that has been compiled using estimated information; and (ii) state the methodology used to calculate the estimated information.

1. UFG %:

In determining the unaccounted-for gas, the sales component includes a portion which is unbilled gas. This portion involves a small estimate for the number of days during the financial year where the billing reading dates do not correspond with the sales gate reading dates. This generally only affects domestic customers' sales, the estimate being based on the daily average usage of the preceding billing period. A computer program is run monthly to compute this unbilled gas, for the preceding three months' periods, such that the oldest period then contains the smallest error.

For 1998-1999, there were problems in running this program, and some months contained suspect results. These periods of suspect data have been excluded from the UFG% calculations.

This data has been shown by a ~.

For 1999-2000, the reports referred to above were produced for the first six months only. After this time, only data of billed sales was available from retailers. A determination of UFG was made using the full year's billed data. This produced a few anomalies, so for these systems, the previous method was used up until the data was no longer available. Also, as above, any periods of suspect data have been excluded from the UFG% calculations.

This data has also been shown by a ~.

2. Unplanned Interruption Measure:

The customer-hours lost have been estimated in a number of ways:

- (i) On systems where the number of customers affected and the length of the interruption have been recorded, but are not available for the full financial year, this data has been extrapolated such that it would then cover the full 12 month period. As the specific system involved has not been recorded, the estimated customer-hours lost in total has been apportioned across system(s) indicated by the local engineer as being the contributing system(s), the apportionment being on a pro-rata basis by system length.

This data has been shown by a #.

- (ii) On systems where the number of customers affected has been recorded, but the length of each interruption has not been recorded, the local engineer has estimated the average length of the interruptions. The specific system involved is recorded.

This data has been shown by a ^.

- (iii) On systems where the number of customers affected has been recorded, but the length of each interruption has not been recorded, the local engineer has estimated the average length of the interruptions. As the specific system involved has not been recorded, the estimated customer-hours lost in total has been apportioned across system(s) indicated by the local engineer as being the contributing system(s), the apportionment being on a pro-rata basis by system length.

This data has been shown by a *.