



## **GasNet Limited**

# **2021 Default Price-Quality Path Annual Compliance Statement Gas Distribution Network Services**

**For the Fourth Assessment Period of the Second Regulatory Period  
(1 October 2020 to 30 September 2021)**

Pursuant to:  
Gas Distribution Services Default Price-Quality Path Determination 2017  
Issued 29 May 2017

<b>Document No:</b> GNM-011	<b>Document Name:</b> Annual DPP Compliance Statement – 30 September 2021	<b>Approved:</b> 10/12/2021	<b>Version: 1.0</b>
		<b>Last Amended:</b> N/A	
<b>Responsible Manager:</b> General Manager		<b>Effective From:</b> N/A	<b>Page 1 of 11</b>
		<b>Review Due:</b> N/A	

## Table of Contents

<b>1.0</b>	<b>PRICE PATH AND QUALITY STANDARDS COMPLIANCE STATEMENTS .....</b>	<b>3</b>
1.1	Price Path.....	3
1.2	Quality Standards.....	3
<b>2.0</b>	<b>INTRODUCTION .....</b>	<b>3</b>
2.1	About GasNet.....	3
2.2	Supply Area Coverage .....	3
2.3	Default Price-quality Path Regime.....	4
2.4	Annual Compliance Statement.....	4
<b>3.0</b>	<b>ALLOWABLE NOTIONAL REVENUE .....</b>	<b>4</b>
<b>4.0</b>	<b>PASS-THROUGH COSTS .....</b>	<b>4</b>
<b>5.0</b>	<b>NOTIONAL REVENUE .....</b>	<b>5</b>
<b>6.0</b>	<b>COMPLIANCE WITH THE PRICE PATH .....</b>	<b>5</b>
<b>7.0</b>	<b>EMERGENCIES DURING THE ASSESSMENT PERIOD .....</b>	<b>6</b>
<b>8.0</b>	<b>COMPLIANCE WITH THE QUALITY STANDARDS .....</b>	<b>6</b>
<b>9.0</b>	<b>POLICIES &amp; PROCEDURES FOR RESPONDING TO EMERGENCIES .....</b>	<b>6</b>
Appendix 1 - Price and Quantities Schedule		
Appendix 2 - Data from Previous Compliance Statements		
Appendix 3 - Director Certification		
Appendix 4 - Auditors Report		

Document No:	Document Name:	Approved:	10/12/2021	Version: 1.0
GNM-011	Annual DPP Compliance Statement – 30 September 2021	Last Amended:	N/A	
Responsible Manager:		Effective From:	N/A	Page 2 of 11
General Manager		Review Due:	N/A	

## 1.0 PRICE PATH AND QUALITY STANDARDS COMPLIANCE STATEMENTS

### 1.1 Price Path

GasNet has complied with its price path for the Fourth Assessment Period by ensuring that Notional Revenue of \$4,442,000 is less than the Allowable Notional Revenue of \$4,533,000 by a margin of \$91,000 or 2.01%.

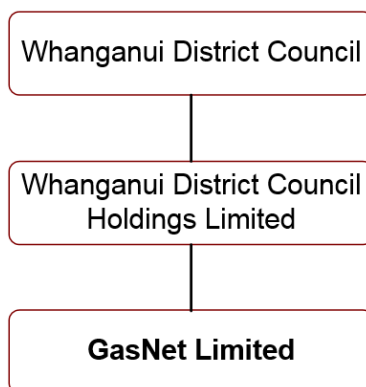
### 1.2 Quality Standards

GasNet has complied with both quality standards in respect to GasNet's response to the two Emergencies that occurred during the Assessment Period, with response times of 7 and 11 minutes and therefore within the 60 minute and 180 minute thresholds.

## 2.0 INTRODUCTION

### 2.1 About GasNet

GasNet Limited ("GasNet") is an energy company under the Energy Companies Act 1992 being 100% owned by Whanganui District Council Holdings Limited, a "Council Controlled Organisation".



GasNet commenced trading on 1 July 2008 after purchasing the network and metering business from Wanganui Gas Limited. Previously GasNet had been operating as an independent trading division of Wanganui Gas Limited and was responsible for managing the network and metering assets for the company.

On 30 June 2017 Wanganui Gas Limited and GasNet Limited were amalgamated to become GasNet Limited.

### 2.2 Supply Area Coverage

GasNet's natural gas distribution network comprises approximately 10,100 live consumer connections across five discrete network distribution systems located within the Whanganui, Rangitikei and South Taranaki regions serving the following areas:

- Whanganui;
- Marton;
- Bulls;
- Flockhouse; and
- Waitotara.

With its origins as far back as the late 1800's when gas was manufactured from coal, the Whanganui network distribution system extends to virtually every street within the city, whilst the other four systems have all been constructed since the introduction of natural gas in the 1970's and as a result, are not as extensive within the urban areas.

Document No:	Document Name:	Approved:	10/12/2021	Version: 1.0
GNM-011	Annual DPP Compliance Statement – 30 September 2021	Last Amended:	N/A	
Responsible Manager: General Manager		Effective From:	N/A	Page 3 of 11
		Review Due:	N/A	

### 2.3 Default Price-quality Path Regime

As a natural monopoly service provider, GasNet is subject to government regulation under the Commerce Act 1986. Pursuant to the requirements of this Act the Commerce Commission has set a default price-quality path ("DPP") which applies to all suppliers of gas pipelines services as defined in the Act.

The default price-quality path requirements are set out in the Gas Distribution Services Default Price-Quality Path Determination 2017 [2017] NZCC 15 ("DPP Determination").

### 2.4 Annual Compliance Statement

This Annual Compliance Statement has been prepared in accordance with the DPP Determination to demonstrate GasNet's compliance or otherwise, with the requirements of the DPP Determination and covers the 12 month period from 1 October 2020 to 30 September 2021.

This statement has been prepared on 10 December 2021.

## 3.0 ALLOWABLE NOTIONAL REVENUE

In accordance with Equation 2 of Schedule 4 of the DPP Determination the Allowable Notional Revenue for the Pricing Period ending in 2021 ( $ANR_{2021}$ ) is equal to:

$$ANR_{2021} = (\sum_i P_{i,2020} \times Q_{i,2019} - (K_{2020} + V_{2020}) + (ANR_{2020} - NR_{2020})) \times (1 + \Delta CPI_{2021}) \times (1 - X)$$

Where:

$\sum_i P_{i,2020} \times Q_{i,2019}$	is the revenue from all Load Groups based on the 2019 quantities and the 2020 prices for each individual Load Group as calculated in the Prices & Quantities Schedule in Appendix 1 (\$2,015,366 for the Fixed Charges and \$2,503,455 for the Variable Charges); and
$K_{2020}$	is the sum of all Pass-through Costs for the Pricing Year ending in 2020 as previously disclosed and shown in Appendix 2 (\$74,000 actual, \$68,000 budget); and
$V_{2020}$	is the sum of all Recoverable Costs for the Pricing Year ending in 2020, as previously disclosed and shown in Appendix 2 (\$nil); and
$ANR_{2020}$	is the Allowable Notional Revenue for the Pricing Period ending in 2020 ( $ANR_{2020}$ ) as previously disclosed and shown in Appendix 2 (\$4,375,000); and
$NR_{2020}$	is the Notional Revenue for the Pricing Period ending in 2020 as previously disclosed and shown in Appendix 2 (\$4,370,000); and
$\Delta CPI_{2021}$	is the derived change in the CPI to be applied for the pricing Period ending in 2018 being equal to:

$$\Delta CPI_{2021} = \frac{(CPI_{Jun\ 2019} + CPI_{Sep\ 2019} + CPI_{Dec\ 2019} + CPI_{Mar\ 2020})}{(CPI_{Jun\ 2018} + CPI_{Sep\ 2018} + CPI_{Dec\ 2018} + CPI_{Mar\ 2019})} - 1$$

$$= 0.0188$$

$X$  is the rate of change specified in Schedule 2 of the DPP Determination (0).

Therefore:

$$ANR_{2021} = \$4,533,000$$

## 4.0 PASS-THROUGH COSTS

Pass-through Costs incurred by GasNet include rates on system fixed assets payable to territorial local authorities, levies payable for the Utilities Disputes Scheme (previously

Document No:	Document Name:	Approved:	10/12/2021	Version: 1.0
GNM-011	Annual DPP Compliance Statement – 30 September 2021	Last Amended:	N/A	
Responsible Manager:		Effective From:	N/A	Page 4 of 11
General Manager		Review Due:	N/A	

Electricity and Gas Complaints Commission Scheme), and levies payable under the Commerce (Levy for Control of Natural Gas Services) Regulations 2005.

The following table provides the breakdown of Pass-through Costs incurred by GasNet for the Pricing Year ending in 2021.

	Timing of Payments			Total
	Prior to 1 October 2020		1 October 2020 to 30 September 2021	
	Cost Incurred	Time Value Adjustments	Cost incurred	
Commerce Commission			\$19,355	\$19,355
Utilities Dispute Tribunal			\$5,732	\$5,732
Rates			\$51,563	\$51,563
	\$0	\$0	\$76,650	\$76,650

## 5.0 NOTIONAL REVENUE

In accordance with Clause 8.4 of the DPP Determination the Notional Revenue for the Pricing Period ending in 2021 ( $NR_{2021}$ ) is equal to:

$$NR_{2021} = \sum_i P_{i,2021} \times Q_{i,2019} - (K_{2021} + V_{2021})$$

Where:

$\sum_i P_{i,2021} \times Q_{i,2019}$  is the revenue from all Load Groups based on the 2019 quantities and the 2021 prices for each individual Load Group as calculated in the Prices & Quantities Schedule in Appendix 1 (\$2,015,366 for the Fixed Charges and \$2,503,455 for the Variable Charges); and

$K_{2021}$  is the sum of all Pass-through Costs for the Pricing Year ending in 2021 as calculated in Pass-through Costs (Section 4.0) above (\$76,650 actual, budget \$74,000); and

$V_{2021}$  is the sum of all Recoverable Costs for the Pricing Year ending in 2021, which is nil as GasNet incurred no such costs.

Therefore:

$$NR_{2021} = \$4,442,000$$

## 6.0 COMPLIANCE WITH THE PRICE PATH

In accordance with Clause 8.4 of the DPP Determination the Notional Revenue (NR) for the Assessment Period must not exceed the Allowable Notional Revenue (ANR) for the same period:

$$ANR_{2021} \geq NR_{2021}$$

Where:

$ANR_{2021}$  is the Allowable Notional Revenue for the Pricing Period ending in 2021 as calculated above (\$4,533,000); and

$NR_{2021}$  is the Notional Revenue for the Pricing Period ending in 2021 as calculated above (\$4,442,000); and

Therefore:

$$\$4,533,000; > \$4,442,000$$

**So the condition is satisfied**

Document No: GNM-011	Document Name: Annual DPP Compliance Statement – 30 September 2021	Approved:	10/12/2021	Version: 1.0
		Last Amended:	N/A	
Responsible Manager: General Manager		Effective From:	N/A	Page 5 of 11
		Review Due:	N/A	

## 7.0 EMERGENCIES DURING THE ASSESSMENT PERIOD

There were two events that occurred during the Assessment Period that met the criteria as an Emergency pursuant to the DPP Determination.

An event occurred on 3 November 2020 in Wilson Street, Whanganui when a contractor's trench shoring system failed and collapsed into the trench and onto a medium pressure gas service pipe severing it. The Fire Service were called by GasNet to assist with establishing a cordon and managing gas people.

On 5 March 2021 a contractor reported they had damaged a medium pressure gas main in Liverpool Street, Whanganui. GasNet requested the Fire Service attend to manage cordon and evacuation of houses in the vicinity.

Date of Event	Type of Event	Emergency Criteria			Response Time
		Emergency Services Involved	Number of Supplies (ICP's) Affected	Properties Evacuated	
3 November 2020	Contractor damaged gas service pipe	Fire Service	2	Yes	7 mins
5 March 2021	Contractor damaged a gas main	Fire Service Police	2	Yes	11 mins
Average Response Time					<u>9 mins</u>

Date source: GasNet's work management system (FieldGo)

## 8.0 COMPLIANCE WITH THE QUALITY STANDARDS

In accordance with Clause 9.1 of the DPP Determination GasNet's Response Time to Emergencies (RTE) for the Assessment Period must be such that:

$$(i) \frac{RTE_{60}}{RTE} \geq 0.80 ; \text{ and}$$

$$(ii) \frac{RTE_{180}}{(RTE - RTE_{excl})} = 1$$

Where:

**RTE** is the total number of Emergencies in the Assessment Period (total count of 2 as stated above);

**RTE<sub>excl</sub>** is the total number of Emergencies in the Assessment Period for which the Commission has granted an exclusion in writing, which is nil for GasNet for this Assessment Period;

**RTE<sub>60</sub>** is the total number of Emergencies in the Assessment Period where GasNet's RTE was less than or equal to 60 Minutes (total count of 2 as stated above); and

**RTE<sub>180</sub>** is the total number of Emergencies in the Assessment Period where GasNet's RTE was less than or equal to 180 Minutes (total count of 2 as stated above).

Therefore:

$$(i) \frac{RTE_{60}}{RTE} = \frac{2}{2} = 1 \geq 0.80 \text{ so condition is satisfied; and}$$

$$(ii) \frac{RTE_{180}}{(RTE - RTE_{excl})} = \frac{2}{(2-0)} = 1 \text{ so condition is satisfied.}$$

## 9.0 POLICIES & PROCEDURES FOR RESPONDING TO EMERGENCIES

Document No:	Document Name:	Approved:	10/12/2021	Version: 1.0
GNM-011	Annual DPP Compliance Statement – 30 September 2021	Last Amended:	N/A	
Responsible Manager:		Effective From:	N/A	Page 6 of 11
General Manager		Review Due:	N/A	

Notifications of an emergency or event on any network are received at GasNet's offices in Cooks Street, Whanganui during business hours and at GasNet's after-hours service provider outside business hours. Information received at the time of the initial report including event details, date and time the call was received is recorded in the company's work management system and then a response is initiated.

All personnel involved in telephone call handling are trained to record the details of the emergency, provide the standard safety information and under no circumstance transfer a call and risk losing it. A telephone management system logs call information and is used for collection and reporting of call statistics.

During business hours the details of the emergency are provided to the designated Emergency Response Coordinator (ERC) or the Technician depending on the nature of the event. A response is initiated based on the event type and procedural requirements. Using mobile devices the responding technicians have access to the work management system and the ability to progressively update the records adding information as actions are taken, including such details as arrival on site time, departure time and interruption to supply times.

In order to ensure the necessary date and time information has been recorded to enable GasNet to meet its obligations for reporting SAIDI and SAIFI, the attending technician is required to complete a specific form. A check is made when a job is completed that the form has been submitted and required data provided.

Outside business hours the details of the emergency are recorded by the after-hours service provider and then relayed by telephone to the designated On Call Technician with a text sent to their mobile phone as a backup and to provide verification that the details are correct. An email is sent by the after-hour's provider to senior GasNet personnel shortly after the first call is received and followed up with an email when the technician has arrived on site, and another when the technician has left the site. Regular welfare checks are made to ensure their ongoing safety by contacting the technician via mobile phone every 30 minutes.

All unplanned events and emergencies are subject to an investigation in accordance with the Company's Incident Reporting and Investigation Policy and recorded in GasNet's Risk Management software application.

All incident information is reviewed and managed by the Engineering Manager to ensure correct decisions have been made on reporting criteria including reliability, interruption classes, system condition and integrity based on company Work Instructions.

<b>Document No:</b> GNM-011	<b>Document Name:</b> Annual DPP Compliance Statement – 30 September 2021	<b>Approved:</b> 10/12/2021	<b>Version: 1.0</b>
		<b>Last Amended:</b> N/A	
<b>Responsible Manager:</b> General Manager		<b>Effective From:</b> N/A	<b>Page 7 of 11</b>
		<b>Review Due:</b> N/A	

## Appendix 1 – Price and Quantities Schedule

Load Group	Fixed Charges (\$ per day)				
	Q2019	P 2020	P 2021	P 2020 x Q2019	P 2021 x Q2019
G12	3605092	0.445	0.445	1604265.940	1604265.940
G50	41638	1.5	1.5	62457.000	62457.000
G180	12914	5.25	5.25	67798.500	67798.500
G450	2159	40	40	86360.000	86360.000
G1000 (C12323)	365	40.004	40.004	14601.460	14601.460
G1000 (C12329)	365	19.676	19.676	7181.740	7181.740
G1000 (C12337)	365	26.699	26.699	9745.135	9745.135
G1000 (C16459)	365	16.848	16.848	6149.520	6149.520
G1000 (C26262)	365	25.918	25.918	9460.070	9460.070
G1000 (C26444)	365	15.937	15.937	5817.005	5817.005
G1000 (C26779)	365	153.063	153.063	55867.995	55867.995
G1000 (C31266)	365	54.854	54.854	20021.710	20021.710
G1000 (C31778)	365	55.17	55.17	20137.050	20137.050
G1000 (C32121)	365	124.665	124.665	45502.725	45502.725
	3665453			2015365.850	2015365.850
				ΣiPi,2020 x Qi,2019	ΣiPi,2021x Qi,2019
Load Group	Variable Charges (\$ per GJ)				
	Q2019	P 2020	P 2021	P 2020 x Q2019	P 2021 x Q2019
G12	242155.602	7.386	7.386	1788561.276	1788561.276
G50	43196.14	6.908	6.908	298398.935	298398.935
G180	71806.598	4.944	4.944	355011.821	355011.821
G450	92595.086	0.664	0.664	61483.137	61483.137
G1000 (C12323)	100943.685	0	0	0.000	0.000
G1000 (C12329)	64266.66	0	0	0.000	0.000
G1000 (C12337)	34639.157	0	0	0.000	0.000
G1000 (C16459)	2298.22	0	0	0.000	0.000
G1000 (C26262)	24196.95	0	0	0.000	0.000
G1000 (C26444)	118245.039	0	0	0.000	0.000
G1000 (C26779)	14082.994	0	0	0.000	0.000
G1000 (C31266)	236966.518	0	0	0.000	0.000
G1000 (C31778)	232158.084	0	0	0.000	0.000
G1000 (C32121)	9592.08	0	0	0.000	0.000
	1287142.813			2503455.169	2503455.169
				ΣiPi,2020 x Qi,2019	ΣiPi,2021x Qi,2019
Sum of fixed and variable				4518821.019	4518821.019

Document No:	Document Name:	Approved:	10/12/2021	Version: 1.0
GNM-011	Annual DPP Compliance Statement – 30 September 2021	Last Amended:	N/A	
Responsible Manager:		Effective From:	N/A	Page 8 of 11
General Manager		Review Due:	N/A	



## Appendix 2 – Data from Previous Compliance Statements

The following supporting data, information and calculations were disclosed and published within the GasNet Limited “2020 Default Price-Quality Path Annual Compliance Statement – Gas Distribution Network Services”, a copy of which is available on GasNet’s website <http://www.gasnet.co.nz/gasnet-disclosures>.

Attribute	Description	Value
<b>K<sub>2020</sub></b>	is the sum of all Pass-through Costs for the Pricing Year ending in 2020	\$74,000 actual, \$68,000 budget
<b>V<sub>2020</sub></b>	is the sum of all Recoverable Costs for the Pricing Year ending in 2020	\$nil
<b>ANR<sub>2020</sub></b>	is the Allowable Notional Revenue for the Pricing Period ending in 2020	\$4,375,000
<b>NR<sub>2020</sub></b>	is the Notional Revenue for the Pricing Period ending in 2020	\$4,370,000

Document No: GNM-011	Document Name: Annual DPP Compliance Statement – 30 September 2021	Approved: 10/12/2021	Version: 1.0
		Last Amended: N/A	
Responsible Manager: General Manager		Effective From: N/A	Page 9 of 11
		Review Due: N/A	

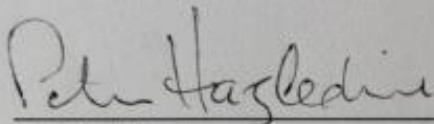
## Appendix 3 - Director Certification

### Appendix 3 - Director Certification

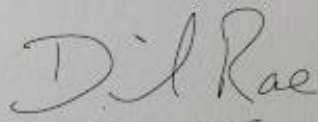
(Pursuant to the Gas Distribution Services Default Price-Quality Path Determination 2017)

#### Schedule 7: Form of Directors' Certificate for Compliance Statement

We, Charles Peter Hazledine and David Rae being Directors of GasNet Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached compliance statement of GasNet Limited, and related information, prepared for the purposes of the Gas Distribution Services Default Price-Quality Path Determination 2017 has been prepared in accordance with all the relevant requirements.



Peter Hazledine  
Director



David Rae  
Director

10/12/21

Date

Document No:	Document Name:	Approved:	10/12/2021	Version: 1.0
GNM-011	Annual DPP Compliance Statement – 30 September 2021	Last Amended:	N/A	
Responsible Manager:		Effective From:	N/A	Page 10 of 11
General Manager		Review Due:	N/A	

Document No:	Document Name:	Approved:	10/12/2021	Version: 1.0
GNM-011	Annual DPP Compliance Statement – 30 September 2021	Last Amended:	N/A	
Responsible Manager:		Effective From:	N/A	Page 10 of 11
General Manager		Review Due:	N/A	

## Appendix 4 – Auditor's Report

Document No: GNM-011	Document Name: Annual DPP Compliance Statement – 30 September 2021	Approved: 10/12/2021	Version: 1.0
		Last Amended: N/A	
Responsible Manager: General Manager		Effective From: N/A	Page 11 of 11
		Review Due: N/A	

## **Independent Assurance Report**

**To the directors of GasNet Limited and  
to the Commerce Commission  
on the Annual Compliance Statement  
for the assessment period ended 30 September 2021  
as required by the Gas Distribution Services Default Price-Quality Path  
Determination 2017 NZCC 15**

The Auditor-General is the auditor of GasNet Limited (the Company). The Auditor-General has appointed me, Chris Webby, using the staff and resources of Audit New Zealand, to provide reasonable assurance, on his behalf, on whether the Compliance Statement on pages 3 to 10 (the Compliance Statement) for the assessment period ended on 30 September 2021 complies, in all material respects, with the Gas Distribution Services Default Price-Quality Path Determination 2017 NZCC 15 (the Determination).

### **Opinion**

In our opinion, in all material respects:

- as far as appears from our examination, the information used in the preparation of the Compliance Statement has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- the Company has complied with clauses 11.2 and 11.3 of the Determination in preparing the Compliance Statement for the assessment period ended 30 September 2021.

### **Basis of opinion**

We conducted our engagement in accordance with the Standard on Assurance Engagements (SAE) 3100 (Revised) Assurance Engagements on Compliance, issued by the New Zealand Auditing and Assurance Standards Board. An engagement conducted in accordance with SAE (NZ) 3100 (Revised) requires that we also comply with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

We have obtained sufficient recorded evidence and explanations that we required to provide a basis for our opinion.

### **Directors' responsibilities**

The directors of the Company are responsible for:

- the preparation of the Compliance Statement under clause 11.1 and in accordance with the requirements in clauses 11.2 and 11.3 of the Determination.
- the identification of risks that may threaten compliance with the clauses identified above and controls which will mitigate those risks and monitor ongoing compliance.

## **Auditor's responsibilities**

Our responsibilities in terms of clause 11.2(d) and Schedules 8(1.2)(f) and 8(1.3) of the Determination, are to express an opinion on whether:

- as far as appears from an examination, the information used in the preparation of the Compliance Statement has been properly extracted from the Company's accounting and other records, sourced from its financial and non-financial systems; and
- the Company has complied, for the assessment period ended 30 September 2021, in all material respects, with the Determination in preparing the Compliance Statement.

To meet these responsibilities, we planned and performed procedures in accordance with SAE 3100 (Revised), to obtain reasonable assurance about whether the Company has complied, in all material respects, with clauses 11.2 and 11.3 of the Determination.

In relation to the price path set out in clause 8 of the Determination, our assurance engagement included examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 3 to 5 of the Compliance Statement.

In relation to the annual quality assessment formula set out in clause 9 of the Determination, our assurance engagement included examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 5 to 7 of the Compliance Statement.

An assurance engagement to report on the Company's compliance with the Determination involves performing procedures to obtain evidence about the compliance activity and controls implemented to meet the requirements. The procedures selected depend on our judgement, including the identification and assessment of the risks of material non-compliance with the requirements.

## **Inherent limitations**

Because of the inherent limitations of an assurance engagement, together with the internal control structure, it is possible that fraud, error, or non-compliance with clauses 11.2 and 11.3 of the Determination may occur and not be detected. A reasonable assurance engagement throughout the assessment period does not provide assurance on whether compliance with clauses 11.2 and 11.3 of the Determination will continue in the future.

## **Restricted use**

This report has been prepared for use by the directors of the Company and the Commerce Commission in accordance with clause 11.2(d) of the Determination and is provided solely for the purpose of establishing whether the compliance requirements have been met. We disclaim any assumption of responsibility for any reliance on this report to any person other than the directors of the Company or the Commerce Commission, or for any other purpose than that for which it was prepared.

## Independence and quality control

We complied with the Auditor-General's:

- independence and other ethical requirements, which incorporate the independence and ethical requirements of Professional and Ethical Standard 1 issued by the New Zealand Auditing and Assurance Standards Board; and
- quality control requirements, which incorporate the quality control requirements of Professional and Ethical Standard 3 (Amended) issued by the New Zealand Auditing and Assurance Standards Board.

The Auditor-General, and his employees, and Audit New Zealand and its employees may deal with the Company on normal terms within the ordinary course of trading activities of the Company. Other than any dealings on normal terms within the ordinary course of business, this engagement, the assurance engagement on the Information Disclosures and the annual audit of the Company's financial statements, we have no relationship with, or interests in, the Company.



Chris Webby  
Audit New Zealand  
On behalf of the Auditor-General  
Palmerston North, New Zealand  
10 December 2021