

Appendix 1

Operational and Financial Performance for the year ended 30 June 2017

Transpower's performance after 12 months is on track to achieve all SCI targets for the financial year, with the exception of:

- our safety measure – number of fatalities or injuries causing permanent disabilities. This is due to a permanent disability suffered by one of our service provider field staff after a truck lost control and rolled into one of our service providers vehicles. Based on investigation the injury was not preventable by Transpower or our service provider..
- our grid duration measure – we have missed this measure due to a number of interruptions this year that were difficult to restore quickly.

	30 June 2017	2016	SCI target
Quarter Four			
Safety Performance Targets			
Number of fatalities or injuries causing permanent disability	1	0	0
Total recordable injury frequency rate (TRIFR)	5.0	7.8	≤ 8
Operational Performance Targets			
Grid interruptions:			
• achieve targets for occurrence	Achieved	Achieved	Achieve target
• achieve targets for duration	Missed	Achieved	Achieve target
Grid availability:			
• HVDC energy availability	98.6%	98.9%	98.5%
• Key HVAC circuits availability	99.0%	99.0%	98.7%
Achieve system operations target	Achieved	N/A	Achieve target
Financial Performance Targets (Unaudited)			
Free funds from operations interest coverage (times)	3.4	3.2	3.2
Free funds from operations / Debt (%)	16.6	14.6	15.8
Debt / (net debt + equity) (%)	68	71	70
Return on equity (%)	12.7	12.1	12.8
Return on capital employed (%)	7.0	6.7	6.9