

Information Disclosure Disclaimer

Information disclosed in this document has been prepared solely for the purposes of the Commerce Act (Electricity Lines Thresholds) Notice 2003.

The information should not be used for any other purpose than that intended under the Notice.

The information disclosed is for the lines business as described in the Notice. There are other activities of the Company that are not required to be reported under the Notice.

A CERTIFICATION OF THRESHOLD COMPLIANCE STATEMENT

We, John William Gilks and Ross Douglas Liddell being Directors of Aurora Energy Limited, certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached threshold compliance statement of Aurora Energy Limited, and related information, prepared for the purposes of the Commerce Act (Electricity Lines Thresholds) Notice 2003 complies with the requirements of that Notice.



John William Gilks



Ross Douglas Liddell

13 May 2004

Aurora Energy Limited (Aurora) complied with all requirements at the First Assessment Date of 6 September 2003.

This statement sets out the requirements at the Second Assessment Date of 31 March 2004.

B PRICE PATH THRESHOLD

Section 5 of the Notice requires that calculations according to the following formula be disclosed. The results are as follows:

Notional Revenue from the First Assessment Date to the Second Assessment Date:

$$\sum P_{i,2004}Q_i - C_{T2004} - C_{R2004} \leq \sum P_iQ_i - C_{T2003} - C_{R2003}$$

The Notional revenue at the First Assessment Date was \$35.895¹ million, calculated as follows:

$\sum P_iQ_i$	=	revenue as at 6 September 2003 = \$51.094 ¹ million
C_{T2003}	=	budget transmission charges for year ending 31 March 2004 = \$14.890 million
C_{R2003}	=	budget rates charges for year ending 31 March 2004 = \$0.309 million

The maximum notional revenue during the period commencing 6 September 2003 ending on 31 March 2004 was \$36.933 million, calculated as follows:

$\sum P_{i,2004}Q_i$	=	maximum revenue between 6 September 2003 and 31 March 2004 being the revenue as at 6 September 2003 (Third Reference Date) = \$51.094 ¹ million
C_{T2004}	=	actual transmission charges for year ending 31 March 2004 = \$13.889 million
C_{R2004}	=	actual rates charges for year ending 31 March 2004 = \$0.272 million

Third Reference Date means the date during the period from the First Assessment Date (6 September 2003) to the Second Assessment Date (31 March 2004) that results in the highest value being assigned to Notional Revenue for that period.

The maximum Notional Revenue occurs at 6 September 2003 and is \$36.933 million which is greater than the Notional Revenue at the First Assessment Date of \$35.895 million. Aurora is therefore not in compliance with the section 5(c) threshold, by \$1.038 million or 2.0% of line charge revenue. This situation was anticipated at 30 July 2003 and corrective action (price reduction) implemented for 1 October. This reduced the subsequent breach to \$159,000 (0.3% of line charge revenue) as detailed below.

The failure to comply is due purely to the \$1.001 million difference between the budgeted transmission charges of \$14.890 million and the actual transmission charges of \$13.889 million and the \$0.037 million difference between the budgeted rates charges of \$0.309 million and the actual rates of \$0.272 million.

Aurora operates to a 30 June balance date, with the result that the transmission budget for the April 2003 - June 2003 period was approved by Directors in May 2002 and the budget for the period July 2003 - March 2004 was approved by Directors in May 2003. That is, the transmission budget that Aurora must use for threshold compliance is determined on two dates 12 months apart. The 2003 hydro shortage, the consequent 10% national savings campaign, and the actual reductions in consumer demand achieved had a marked effect on network peak loads during the winter of 2003, which resulted in a dramatic reduction of transmission charges compared to the previous year.

¹ During the preparation of the compliance statement for the Second Assessment Date it was found that the P_iQ_i as at 6 September 2003 which had been calculated and disclosed in the compliance statement for the First Assessment Date, had been overstated by \$252,280 because some 1484 connections on the General 400V tariff had been double-counted. The Notional Revenue calculated at the First Assessment Date has been reduced from the previously disclosed \$36.147 million to \$35.895 million. This change has had no impact on the veracity of the First Assessment compliance statement.

The extent of the reduction in transmission charges was not clear until after the normal peak load period (early May-late July 2003). In an attempt to pass on the savings to consumers, the Directors of Aurora approved a price reduction strategy at their meeting on 30 July 2003 to reduce revenue by \$750,000 per annum, effective from 1 October 2003. This date was chosen because some ICPs were already scheduled for a price change on that date as previously notified to retailers. After the Directors' decision was translated to specific price components, on 4 August 2003, retailers were given formal notice of price changes from 1 October as required by Use of System Agreements. Difficulties with modelling the transmission charges for the period from August 2003 to 31 March 2004 has, in hindsight, meant that the price reduction should have been \$159,000 greater, or 0.3% of total line charge revenue.

Although not in compliance with Section 5(c), Aurora did anticipate the problem and did take action to pass on the transmission charge savings from 1 October 2003.

Detailed calculations of the Notional Revenue at 6 September 2003 are attached, being:

- ⇒ the maximum Notional Revenue during the period 6 September 2003 to 31 March 2004
- ⇒ the Notional Revenue at 6 September 2003

Appendix A → this sheet shows Notional Revenues for the prices at 6 September 2003 and 1 October 2003 and summarises revenues from appendices B and C.

Appendix B → supporting calculations for the summary sheet ex Gentrack invoicing.

Appendix C → supporting calculations for the summary sheet for variable charges ex retailers' sales reports.

Excluded Services

The following are excluded services for the calculation of Notional Revenue:

- (a) Connection, disconnection, or reconnection services. Aurora obtains no revenue from the provision of such services since these are carried out by other parties.
- (b) "Non conveyance" goods and services. Aurora does not provide services such as energy use monitoring services, consulting services or the provision of information not directly related to the provision of electricity distribution. Aurora does own some buildings, for which a market-based rental is charged to the tenants.
- (c) "Other" goods and services. Aurora does earn income in the form of capital contributions, where a new connection is uneconomic. In all such cases, the capital contribution paid by the consumer is the residual cost of the network extension (after a contribution by Aurora to the total cost of the network extension). In addition, the consumer selects the "design and build" contractor for the network extension and, thus, would normally select the contractor tendering the lowest total cost of the network extension.

Transmission Charges

For the purposes of the calculations, transmission charges are the sum of the:

- (a) Transpower Connection, Interconnection and New Investment charges.
- (b) Avoided transmission charges paid to embedded generators.

Loss and Constraint Rentals and Common Quality Charges are excluded as these are passed through to retailers each month on the basis of their share of monthly transmission line charges.

C QUALITY THRESHOLD

Section 6 of the Notice requires that the following information be disclosed.

- (a) Interruption duration: the SAIDI of the line business for the period of 12 months ending on the Second Assessment Date is not to exceed the five year average SAIDI of the line business to 31 March 2003 (calculated in accordance with the right hand side of the following expression):

$$SAIDI_{2004} \leq (SAIDI_{1999} + SAIDI_{2000} + SAIDI_{2001} + SAIDI_{2002} + SAIDI_{2003})/5$$

$$96.3 \leq (92.9 + 194.6 + 79.1 + 75.3 + 89.1) / 5$$

$$\leq 531.0 / 5$$

$$96.3 \text{ is } \leq 106.2$$

SAIDI is the sum of the planned and unplanned interruption minutes per network connection for events occurring within the Aurora network. The SAIDI for the year ending 31 March 2004 was 96.3 minutes which is less than the average SAIDI of 106.2 minutes for the five years ending 31 March 2003.

Aurora therefore complies with the interruption duration threshold.

- (b) Interruption frequency: the SAIFI of the line business for the period of 12 months ending on the Second Assessment Date is not to exceed the five year average SAIFI of the line business to 31 March 2003 (calculated in accordance with the right hand side of the following expression):

$$SAIFI_{2004} \leq (SAIFI_{1999} + SAIFI_{2000} + SAIFI_{2001} + SAIFI_{2002} + SAIFI_{2003})/5$$

$$1.60 \leq (2.01^2 + 1.74 + 1.30 + 1.56^3 + 1.51) / 5$$

$$\leq 8.12 / 5$$

$$1.60 \text{ is } \leq 1.62$$

SAIFI is the sum of the planned and unplanned frequency of interruptions per network connection for events occurring within the Aurora network. The SAIFI for the year ending 31 March 2004 was 1.60 which is less than the average SAIFI of 1.62 interruptions per annum for the 5 year period ending 31 March 2003.

Aurora therefore complies with the interruption frequency threshold.

- (c) Customer communication: the lines business, during the period from the Publication Date (6 June 2003) to the Second Assessment Date, is to report on various methods used to ensure that its customers are properly advised about price-quality trade offs available to them.

Aurora believes that quality consists of many components including: reliability, security of supply, voltage stability, capacity for peak demand and prompt and courteous response to enquiries. Aurora has 5 key business processes which contribute to its understanding of customer preferences in regard to price-quality trade offs and believes that the combination of these processes fully meets the criteria detailed in the Notice.

Customer engagement is an inherent business process so consideration of the approach and evidence is valid pre and post the prescribed dates in the Notice 2003. The processes are:

² During the preparation of the statistics for this compliance statement, a typographical error in the disclosed SAIFI (unplanned network interruption frequency) for Dunedin Electricity for the year ended 31 March 1999 was discovered. The correct figure is 0.03 which replaces the previously disclosed figure of 0.33. Note that the SAIDI and SAIFI measures reported for 31 March 1999 above are the weighted average of the measures reported for Dunedin Electricity Ltd and Central Electric Ltd.

³ Similarly a coding error in the disclosed SAIFI (unplanned network interruption frequency) for the year ended 31 March 2002 was discovered. The correct figure is 1.39 which replaces the previously disclosed figure of 1.46.

- The Asset Management Plan
- The Customer Survey
- The Demand Management Program
- Service Failure Payments
- Connection Information

Taking each process in turn;

1. The Asset Management Plan

(i) Advice

Aurora's Asset Management Plan details a number of issues around price-quality trade offs, so that customers are able to form a view on them, as follows:

Section 4 identifies Service Levels and Performance Targets and extracts appear in Appendix E.

Operating strategies and design choices affect network performance and are available both throughout the network and externally (transmission, embedded generation and interruptible load options). To assist the pricing of non-network options Aurora has adopted a "lost-load" approach to reliability planning, by assigning a dollar value to supply interruptions, presently as follows:

Type of Interruption	Value of kWh Unserved ⁴
Unplanned - Residential	\$ 4
Unplanned - Other	\$40
Planned - Residential	\$ 2
Planned - Other	\$20

These values are used in assessing the cost of interruptions that result from asset operating and investment choices. Aurora has proposed these value assumptions until asset users can agree a better basis. In view of the apparent preference by consumers for cost reduction over quality improvement (see below), Aurora expects that the above values will be reduced over time, automatically rationing both operating expenditure and capital investment and thus delivering lower costs. This has now happened by default - the above rates have not been increased since they were introduced in 1999, whereas inflation and rising energy prices would otherwise imply an increase.

The Asset Management Plan also specifies the process by which approved maintenance and construction contractors will determine which work will be undertaken by live-working techniques. Effectively contractors must purchase network interruptions, paying a price that reflects cost of non-supply to the customers who are interrupted.

Finally, the Asset Management Plan details the Cost-of-Losses that Aurora will use in comparing investment choices between lossy and less-lossy asset configurations or designs. While this is not directly related to reliability of supply, it is a matter of choice for Aurora and does impact on the "quality" of the electricity delivery solution customers pay for.

⁴ *Reliability of Electricity Supply*, Canterbury University Centre for Advanced Engineering, 1993, page 111.

(ii) Consultation

The draft Asset Management Plan is published on Aurora's website (www.electricity.co.nz/AMP.htm) in April each year and comment and feedback is invited. Copies are also sent to the electricity retailers that trade across the network.

Each year, Aurora's Asset Management Plan requests that retailers (as proxy for customers) or customers provide feedback on the value assumptions that have been made - e.g. overall reliability level, cost of non-supply for operating and investment strategies and cost of losses.

(iii) Consider views

To demonstrate an open consultation process, Aurora posts all submissions and comments about the draft or final Asset Management Plans on its website along with the Aurora response. The last feedback received on an Asset Management Plan was in 2002, as can be seen from the website.

(iv) Take views into consideration

Any submissions received on the draft Asset Management Plan is taken into account in the final Asset Management Plan published by 30 June each year. Any submissions received subsequently on the final plan are held over for the next draft plan unless they are of immediate significance.

2. **The Customer Survey**

(i) Advice

Since 1999, Aurora has conducted a continuous survey of mass market customers, with approximately 400 randomly selected customers being surveyed each month via a return paid card delivered to mail boxes.

(ii) Consultation

The survey requests customers to indicate whether they are least satisfied with the price or the reliability of their electricity supply. The results and annual trends have been reported in the annual Asset Management Plan and are repeated here.

Aurora's Price Versus Quality Survey					
Results to 31 March	2000	2001	2002	2003	2004
Consumers Surveyed	726	4,123	4,220	4,327	4,554
Response Rate	19%	20%	20%	20%	18%
Responses:					
Prefer higher quality	9.6%	8.4%	9.3%	9.3%	7.4%
Prefer lower price	90.4%	91.6%	90.7%	90.7%	92.6%

By surveying continuously, rather than at discrete intervals, the survey is unbiased by such things as specific supply interruptions or price increases, and allows an evolving assessment of customer preferences.

Additionally, those customers who have indicated dissatisfaction with the quality of their supply rather than the cost are resurveyed later to specifically explore the nature of their dissatisfaction with quality. The results of this are attached as Appendix F. It has been found that their concern has abated at the resurvey, suggesting that it related to a specific interruption rather than the general quality of supply.

(iii) Consider views

While the survey results strongly imply that quality can be reduced providing a price decrease results, the fact is that quality cannot be altered rapidly, so that both quality changes and consequent price changes will be marginal and thus relatively invisible to customers.

As supply quality moves nearer to that required by the majority of customers there is risk that a minority will receive lesser quality than they wish. Options to provide higher quality for specific needs will be available (and involve additional charges) but will be limited by network topography. However, demand-side options (eg interruptible load, load storage, on-site generation) will also be available to the customer at their own investment. Conversely, there is no case for the majority of customers paying for higher quality than they require.

(iv) Take views into consideration

Aurora has always taken the results of the surveys into account when setting targets for network performance. Prior to 1999 then-urban Aurora deliberately targeted lower reliability than the SAIDI of 20 minutes that existed. Since acquisition of the rural Central Otago network in 1999 it has targeted reliability at a constant SAIDI of 90 minutes. Appendix G indicates that this target is considerably better than achieved by equivalent New Zealand distribution businesses. Aurora is now prevented by the quality threshold from lowering reliability even if that is the wish of its customers in order to achieve lower costs.

3. The Demand Management Program

(i) Advice

From 2002, Aurora has conducted a Demand Management programme which is primarily aimed at education of large consumers on how to understand and reduce their line charges, and includes daily forecasts of when network congestion is expected to occur. During the winter period (May-August) monthly feedback is provided to customers on changes to their congestion period demand kW in response to actions by the customer. Twenty eight major consumers participated in 2002 and this increased to forty one in 2003.

(ii) Consultation

During the education process and preliminary discussions, the opportunity is taken to by Aurora to also talk through with customers their capacity requirements and whether any reliability changes are needed. More information is provided on the Demand Management web page (www.electricity.co.nz/site/dms_congestion.asp).

(iii) Consider views

Results from the Demand Management program revealed that many customers were not aware that Aurora's line charge consists of several component charges and that they are able to significantly influence the level of the components, especially the congestion period demand. Most consumers on the program have since taken steps to monitor when peak load periods occur, by listening to the ripple signal broadcast or checking the forecast congestion periods published on Aurora's website, and deferring load for part or all of the peak load period - thus significantly reducing their overall line charges. This reduction in cost with little impact on the energy delivered has enabled many customers to improve their overall quality of supply.

(iv) Take views into consideration

The results already achieved from the program have encouraged Aurora to continue with it and to extend it to more large customers in 2004. The information gained is useful to Aurora when ripple control management is being reviewed and also enables Aurora to understand customers' use of electricity, their sensitivity to congestion period demand prices, their ability to curtail load, the impact on them when faults occur, and the influence on their behaviour of various line charge components. This knowledge is used when forecasting network demands to estimate revenue and plan capital expenditure, to schedule necessary interruptions for repair or essential maintenance and in reviewing the Use of System pricing methodology.

4. **Service Failure Payments**

(i) Advice

Service failure payments were "unilaterally" introduced by Aurora's predecessor company Dunedin Electricity in 1992, and both the existence and level of the payments led the industry for many years (www.electricity.co.nz/97news.htm#RECEIVE). These payments are fully detailed in the Use of System agreements with retailers and they are now at a level that is fairly typical within the industry. The schedules of compensation payments in the Use-of-System agreements are attached as Appendix F. Aurora understands that the retailers properly inform their customers.

(ii) Consultation

These payments apply to the standard Use-of-System agreement with retailers and other arrangements can be negotiated. No party has sought any alternative compensation arrangement.

The actual spend on service failure payments (effectively a line charge reduction for reduced service) over recent years is as follows:

Year to 30 June	Events	Consumers Affected	Total Paid	Percent of Line Revenue
2001	18	653	\$37,542	0.077%
2002	12	480	\$26,770	0.052%
2003	11	1148	\$63,336	0.119%

As a result of the modest level of such payments and the excellent delivery service provided, the quantum of compensation paid is insufficient to materially affect network design, and applies only modest pressure to operational decisions. Of far greater significance in changing behaviour are the cost-of-interruption charges Aurora applies to approved construction and maintenance contractors.

The fact that such payments cannot be offset against revenue in terms of the Price Threshold is a disincentive to increasing the quantum of the payments.

(iii) Consider views

Views from users are considered at the time of negotiation of use-of-system agreements. Where faults involving large service failure payments occur then detailed investigations are carried out and any specific comments by retailers or their customers are actively sought.

(iv) Take views into consideration

Views by retailers and their customers about the conditions and size of service failure payments would be taken into consideration in negotiating Use-of-System agreements and in review of the Asset Management Plan - in section 4.1 on service levels and in determining where the asset maintenance spend occurs; eg should more be spent on inspections or on capital such as more circuit reclosers?

5. **Connection Information**

(i) Advice

Aurora has published the following documents for customers who wish to connect to the network or who desire increased capacity from their existing connection, and they are available via its website (www.electricity.co.nz/connection.htm).

- a) "Basic Requirements for Connection" is suitable for generally simple connections where new assets are required to be built to facilitate the connection. Options for enhanced supply are also set out in this document.
- b) "Technical Requirements for Connection" provides more information for large commercial or industrial connections where more detailed technical information is provided.
- c) "Distributed Generation less than 10kW" also provides information and requirements to facilitate early approval of requests for the connection of small generation equipment. Ensuring safety of personnel and no adverse impact on reliability are key features of the need for information and standards.
- d) "Design Notes for Designers, Consultants and Electrical Contractors" provides advice on how to ensure that ongoing line charges are minimised in relation to the capacity requested for each connection.

Aurora has authorised a number of design/build contractors who are familiar with the network connection standards and are incentivised by competitive forces to ensure that connection choices are made available to customers. These contractors advise customers on the costs of new connections and the ongoing line charges for:

- capacity options and
- enhanced reliability options and
- controlled load options such as day/night, controlled water heating, under floor heating or connecting any load onto one of the reduced service hours options.

(ii) Consultation

Aurora's Asset Manager meets regularly with the design/build contractors to update them where any changes in requirements occur, changes to line charges and to receive feedback on issues of concern from customers. The design/build contractors also take part in the regular review processes associated with Connection documents. Drafts of revised documents are issued to interested parties prior to final issue.

(iii) Consider views

All the above connections documents form part of Aurora's quality management system and are reviewed every one or two years. The feedback expressed by all design/build contractors and electricians (as proxy for customers) is taken into account during each review process.

(iv) Take views into consideration

All views are taken into account prior to final reissue of the documents. As the design / build contractors interact extensively with customers especially when premises are being first built then it is important that they are aware of both the initial capital cost and the ongoing line charge cost so that the customers can make appropriate tradeoffs matching their capacity and reliability options against their initial costs and the ongoing operational costs.

Conclusion

Each of the above key processes contributes to the information available to customers so that they are able (or with appropriate assistance from electricians, designers, consultants or electricity retailers) to make appropriate price-quality trade offs. In addition Aurora has shown that there is advice, consultation, consideration of views and action via these processes and that they link back to the Asset Management Plan and assist Aurora in making its asset management decisions.

On the basis of the above initiatives and processes, Aurora believes that it complies in all respects with the customer communication threshold for price-quality trade offs.

AUDITORS' REPORT ON THRESHOLD COMPLIANCE STATEMENT

To the readers of the threshold compliance statement of Aurora Energy Limited.

We have examined the attached statement, being a threshold compliance statement in respect of price path and quality thresholds that were prepared by Aurora Energy Limited for assessment on 31 March 2004 and dated xx May 2004 for the purposes of information requirements set out in clause 7 of the Commerce Act (Electricity Lines Thresholds) Notice 2003 ("the Notice").

Directors' Responsibilities

Clause 7 of the Notice requires the Directors of Aurora Energy Limited to prepare certificates that confirm the compliance, or otherwise, of Aurora Energy Limited with the thresholds set out in clauses 4, 5 and 6 of that Notice.

Auditors' Responsibilities

It is our responsibility to express an independent opinion on the threshold compliance statement certified by the Directors and report our opinion to you.

Basis of Opinion

Our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures in the attached threshold compliance statement. It also included an assessment of the significant estimates and judgements, if any, made by the lines business in the preparation of the threshold compliance statement and an assessment of whether the basis of preparation had been adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanation which we considered necessary, except that our work was limited in respect of the quality (SAIDI and SAIFI) thresholds as explained below. We obtained sufficient evidence to give reasonable assurance that the statements are free from material misstatements, whether caused by fraud or error or otherwise. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the statements.

We have no relationship with or interests in Aurora Energy Limited other than in our capacities as auditors of the threshold compliance statements and in the provision of other professional advisory services. We are not aware of any relationships between our firm and Aurora Energy Limited that, in our professional judgment, may reasonably be thought to impair our independence.

Unqualified Opinions

We have obtained all the information and explanations we have required in relation to the price path threshold and the quality (customer communication) threshold.

Price Path Threshold

In our opinion, having made all reasonable enquiry, to the best of our knowledge the amounts or details set out in the threshold compliance statement relating to the price path threshold prepared pursuant to clause 5 of the Notice and related information have been prepared in accordance with the Notice, and give a true and fair view of the performance of Aurora Energy Limited as required by the Notice against the thresholds set out in the Notice of Assessment on 31 March 2004.

Quality (Customer Communication) Threshold

In our opinion, having made all reasonable enquiry, to the best of our knowledge the quality (customer communication) threshold prepared pursuant to clause 6(1)(c) of the Notice and related information have been prepared in accordance with the Notice, and give a true and fair view of the performance of Aurora Energy Limited as required by the Notice against the thresholds set out in the Notice of Assessment on 31 March 2004.

Qualified Opinion

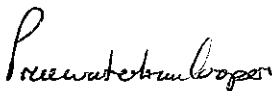
Quality (SAIDI and SAIFI) Threshold

Control over the completeness and accuracy of outage records prior to being recorded in the outage databases is limited, and there are no practical audit procedures that we could adopt to confirm independently that all outages were properly recorded for the purposes of inclusion in the amounts or details set out in the SAIDI and SAIFI quality threshold compliance statements prepared pursuant to clauses 6(a) and 6(b) of the Notice.

In this respect alone we have not obtained all the information and explanations that we have required.

Because of the potential effect of the limitation in the evidence available to us, we are unable to form an opinion as to whether the amounts or details set out in the SAIDI and SAIFI quality threshold compliance statements prepared pursuant to clauses 6(a) and 6(b) of the Notice, and related information has been prepared in accordance with the Notice, and gives a true and fair view of the performance of Aurora Energy Limited as required by the Notice against the quality thresholds set out in the Notice of Assessment on 31 March 2004.

Our audit was completed on 13 May 2004 and our unqualified and qualified opinions are expressed as at that date.



PricewaterhouseCoopers
Dunedin
13 May 2004

Appendix A						
Area	Description	Notional Revenue as at		Source Data	Ref	
		1 May 03 \$	1 Oct 03 \$			
HalfwayBush&SouthDunedin	Std Domestic variable	17,886,513	17,521,729	Retailers	1	
	Std Domestic fixed	1,951,580	1,912,354	Gentrack	A	
	Capacity fixed	12,358,603	12,116,794	Gentrack	B	
	Street Lighting	253,395	248,327	Gentrack	C	
Frankton	Std Domestic variable	3,593,395	3,507,620	Retailers	3	
	Std Domestic fixed	335,623	327,561	Gentrack	G	
	Capacity fixed	351,184	342,735	Gentrack	H	
	General 400V fixed	-	-	Gentrack	I	
	Demand Metered HHR	-	-	Retailers	13	
	General 400V variable profile	-	-	Retailers	5	
	General 400V variable HHR	-	-	Retailers	11	
	Transition 1 capacity L3-L5	1,363,583	1,363,583	Retailers	15	
	Transition 1 capacity L2	1,061,299	1,061,299	Retailers	17	
	Transition 1 variable profile	926,969	926,969	Retailers	7	
	Transition 1 variable HHR	652,761	652,761	Retailers	19	
	General 400V fixed L1	165,410	-	Retailers	21	
	General 400V variable profile L1	558,364	-	Retailers	9	
	Transition 2 capacity & variable L1	-	674,888	Retailers	25	
QLDC St Ltg	41,336	41,336	Retailers	23		
Clyde&Cromwell	Std Domestic variable	4,870,161	4,870,161	Retailers	2	
	Std Domestic fixed	559,339	559,339	Gentrack	D	
	Capacity fixed	359,253	359,253	Gentrack	E	
	General 400V fixed	-	-	Gentrack	F	
	Demand Metered HHR	-	-	Retailers	12	
	General 400V variable profile	-	-	Retailers	4	
	General 400V variable HHR	-	-	Retailers	10	
	Transition 1 capacity L3-L5	597,050	597,050	Retailers	14	
	Transition 1 capacity L2	1,002,808	1,002,808	Retailers	16	
	Transition 1 variable profile	915,651	915,651	Retailers	6	
	Transition 1 variable HHR	320,591	320,591	Retailers	18	
	General 400V fixed L1	329,460	-	Retailers	20	
	General 400V variable profile L1	595,897	-	Retailers	8	
	Transition 2 capacity & variable L1	-	848,354	Retailers	24	
	CODC St Lighting	43,482	43,482	Retailers	22	
	Grand Total		51,093,709	50,214,646		
Decrease in Notional Revenue			(879,063)			

Appendix B

Area	Load Group		Base Quantity	Price \$ 1/5/03		Notional Rev \$		Price \$ 1/10/03		Notional Rev \$	
			Mar-03	Network	Transmission	1/05/2003	Network	Transmission	1/10/2003		
Dunedin	Standard Domestic 15	Number	44,014	44.28			1,948,947	43.39			1,909,775
Dunedin		Total Capacity kVA	660,225				-				-
Dunedin	Standard Domestic 8	Number	448	5.88			2,633	5.76			2,579
Dunedin		Total Capacity kVA	3,582				-				-
				A			1,951,580				1,912,354
Dunedin	L0	Number	68	91.56	42.57		9,065	89.73	41.72		8,884
Dunedin		Total Capacity kVA	68				-				-
Dunedin	LOA	Number	58	190.08	92.07		16,341	186.28	90.23		16,015
Dunedin		Total Capacity kVA	116				-				-
Dunedin	Load Group 1	Number	3,623	8.91			32,280	8.73			31,628
Dunedin		Total Capacity kVA	54,344	8.37	1.47		534,743	8.20	1.44		523,874
Dunedin		Total CPD kW	8,365	73.16	57.06		1,089,299	71.70	55.92		1,067,550
Dunedin	Load Group 1A	Number	215	8.91			1,913	8.73			1,875
Dunedin		Total Capacity kVA	1,718	9.68	2.31		20,599	9.49	2.26		20,187
Dunedin		Total CPD kW	211	73.16	57.06		27,462	71.70	55.92		26,914
Dunedin	Load Group 2	Number	2,447	14.85			36,337	14.55			35,603
Dunedin		Total Capacity kVA	125,856	14.45	2.05		2,076,623	14.16	2.01		2,035,090
Dunedin		Total CPD kW	22,589	55.24	50.31		2,384,311	54.14	49.30		2,336,648
Dunedin		Other Charge	(658)		1		(658)		1		(658)
Dunedin	Load Group 3	Number	101	343.00			34,586	336.00			33,880
Dunedin		Total Capacity kVA	19,811	20.98	4.03		495,475	20.56	3.95		485,570
Dunedin		Total KVA-KM	1,320	0.16			211	0.16			211
Dunedin		Total CPD kW	5,758	48.02	49.22		559,902	47.06	48.24		548,732
Dunedin		Other Charge	(4,039)		1		(4,039)		1		(4,039)
Dunedin	Load Group 3A	Number	88	343.00			30,298	336.00			29,680
Dunedin		Total Capacity kVA	28,654	19.45	4.03		672,804	19.06	3.95		659,336
Dunedin		Total KVA-KM	2,212	0.16			354	0.16			354
Dunedin		Total CPD kW	9,581	48.02	49.22		931,656	47.06	48.24		913,069
Dunedin		Other Charge	(1,742)		1		(1,742)		1		(1,742)
Dunedin	Load Group 4	Number	55	915.00			50,096	897.00			49,111
Dunedin		Total Capacity kVA	38,752	11.39	4.03		597,556	11.16	3.95		585,543
Dunedin		Total KVA-KM	2,653	0.16			424	0.16			424
Dunedin		Total CPD kW	12,181	36.53	49.22		1,044,542	35.80	48.24		1,023,712
Dunedin		Other Charge	185,371		1		185,371		1		185,371
Dunedin	Load Group 5	Number	9	915.00			8,464	897.00			8,297
Dunedin		Total Capacity kVA	36,375	7.82	4.03		431,044	7.66	3.95		422,314
Dunedin		Total KVA-KM	4,113	0.16			658	0.16			658
Dunedin		Total CPD kW	14,129	21.58	49.22		1,000,316	21.15	48.24		980,394
Dunedin		Other Charge	92,310		1		92,310		1		92,310
				B			12,358,603				12,116,794
Dunedin	Street Lighting	Fixed	253,395	C	1		253,395	1			248,327

Appendix B (continued)												
Area	Load Group		Base Quantity		Price \$ 1/5/03		Notional Rev \$		Price \$ 1/10/03		Notional Rev \$	
			Mar-03		Network	Transmission	1/05/2003	Network	Transmission	1/10/2003		
CYD/CML	Standard Domestic 15	Number	9,853		56.76			559,256		56.76		559,256
CYD/CML		Total Capacity kVA	147,795		-			-		-		-
CYD/CML	Standard Domestic 8	Number	5		15.74			83		15.74		83
CYD/CML		Total Capacity kVA	42		-			-		-		-
				D				559,339				559,339
Capacity based												
CYD/CML	Load Group 0	Number	96		106.45	46.90		14,773		106.45	46.90	14,773
CYD/CML		Total Capacity kVA	96		-			-		-		-
CYD/CML	Load Group 0A	Number	153		202.36	113.83		48,403		202.36	113.83	48,403
CYD/CML		Total Capacity kVA	306		-			-		-		-
CYD/CML	Load Group 1	Number	76		9.48			724		9.48		724
CYD/CML		Total Capacity kVA	1,145		14.70	2.13		19,270		14.70	2.13	19,270
CYD/CML		Total CPD kW	155		88.43	62.40		23,307		88.43	62.40	23,307
CYD/CML	Load Group 1A	Number	20		9.48			187		9.48		187
CYD/CML		Total Capacity kVA	158		16.10	2.86		2,996		16.10	2.86	2,996
CYD/CML		Total CPD kW	20		88.43	62.40		3,049		88.43	62.40	3,049
CYD/CML	Load Group 2	Number	113		15.81			1,793		15.81		1,793
CYD/CML		Total Capacity kVA	4,909		21.18	2.96		118,513		21.18	2.96	118,513
CYD/CML		Total CPD kW	560		69.35	56.07		70,248		69.35	56.07	70,248
CYD/CML		Other Charge	-		1			-		1		-
CYD/CML	Load Group 3	Number	5		368.90			1,937		368.90		1,937
CYD/CML		Total Capacity kVA	1,022		27.61	5.51		33,835		27.61	5.51	33,835
CYD/CML		Total KVA-KM	355		0.16			57		0.16		57
CYD/CML		Total CPD kW	87		62.18	55.86		10,230		62.18	55.86	10,230
CYD/CML		Other Charge	-		1			-		1		-
CYD/CML	Load Group 3A	Number	-		368.90			-		368.90		-
CYD/CML		Total Capacity kVA	-		25.45	5.51		-		25.45	5.51	-
CYD/CML		Total KVA-KM	-		0.16			-		0.16		-
CYD/CML		Total CPD kW	-		62.18	55.86		-		62.18	55.86	-
CYD/CML		Other Charge	-		1			-		1		-
CYD/CML	Load Group 4	Number	0		975.00			325		975.00		325
CYD/CML		Total KVA-KM	27		0.16			4		0.16		4
CYD/CML		Total Capacity kVA	167		17.39	5.51		3,817		17.39	5.51	3,817
CYD/CML		Total CPD kW	42		62.18	55.86		4,918		62.18	55.86	4,918
CYD/CML		Other Charge	867		1			867		1		867
CYD/CML	Load Group 5	Number	-		975.00			-		975.00		-
CYD/CML		Total Capacity kVA	-		14.65	5.51		-		14.65	5.51	-
CYD/CML		Total KVA-KM	-		0.16			-		0.16		-
CYD/CML		Total CPD kW	-		57.12	55.86		-		57.12	55.86	-
CYD/CML		Other Charge	-		1			-		1		-
				E				359,253				359,253
General 400V pre 1 May 03												
CYD/CML	GLV	Number	2,688					-				-
CYD/CML		Total Capacity kVA	92,710					-				-
CYD/CML		Total CPD kW	9,106					-				-
CYD/CML		Other Charge	217					-				-
				F				-				-

Appendix B (continued)												
Area	Load Group		Base Quantity		Price \$ 1/5/03		Notional Rev \$		Price \$ 1/10/03		Notional Rev \$	
			Mar-03		Network	Transmission	1/05/2003	Network	Transmission	1/10/2003		
FKN	Standard Domestic 15	Number	6,348		52.78			335,025		51.51		326,964
FKN		Total Capacity kVA	95,214		0			-		0		-
FKN		Adjustment Total	554		1			554		1		554
FKN	Standard Domestic 8	Number	3		14.41			44		14.06		43
FKN		Total Capacity kVA	25		0			-		0		-
					G			335,623				327,561
FKN	Load Group 0	Number	44		98.98	50.27		6,579		96.60	49.06	6,421
FKN		Total Capacity kVA	44		-	-		-		-	-	-
FKN	Load Group 0A	Number	139		188.16	105.84		40,793		183.64	103.30	39,813
FKN		Total Capacity kVA	278		-	-		-		-	-	-
FKN	Load Group 1	Number	73		8.82			647		8.61	-	631
FKN		Total Capacity kVA	1,100		13.67	3.97		19,404		13.34	3.87	18,931
FKN		Total CPD kW	154		82.22	58.02		21,624		80.25	56.63	21,106
FKN	Load Group 1A	Number	14		8.82			127		8.61	-	124
FKN		Total Capacity kVA	105		14.97	4.79		2,068		14.61	4.68	2,019
FKN		Total CPD kW	16		82.22	58.02		2,310		80.25	56.63	2,255
FKN	Load Group 2	Number	110		14.70			1,619		14.35	-	1,581
FKN		Total Capacity kVA	4,934		19.70	4.82		120,988		19.23	4.70	118,077
FKN		Total CPD kW	715		64.48	52.14		83,341		62.93	50.89	81,340
FKN		Other Charge	(71)		1			(71)		1		(71)
FKN	Load Group 3	Number	2		343.00			686		335.00	-	670
FKN		Total KVA-KM	65		0.16			10		0.16	-	10
FKN		Total Capacity kVA	380		25.68	9.47		13,357		25.06	9.24	13,034
FKN		Total CPD kW	90		57.82	51.94		9,824		56.43	50.69	9,587
FKN		Other Charge	-		1			-		1		-
FKN	Load Group 3A	Number	1		343.00			372		335.00	-	363
FKN		Total KVA-KM	82		0.16			13		0.16	-	13
FKN		Total Capacity kVA	425		23.67	9.47		14,085		23.10	9.24	13,745
FKN		Total CPD kW	122		57.82	51.94		13,409		56.43	50.69	13,086
FKN		Other Charge	-		1			-		1		-
FKN	Load Group 4	Number	-		906.50			-		885.00	-	-
FKN		Total Capacity kVA	-		16.17	9.47		-		15.78	9.24	-
FKN		Total KVA-KM	-		0.16			-		0.16	-	-
FKN		Total CPD kW	-		57.82	51.94		-		56.43	50.69	-
FKN		Other Charge	-		1			-		1		-
FKN	Load Group 5	Number	-		906.50			-		885.00	-	-
FKN		Total Capacity kVA	-		13.62	9.47		-		13.29	9.24	-
FKN		Total KVA-KM	-		0.16			-		0.16	-	-
FKN		Total CPD kW	-		53.12	51.94		-		51.85	50.69	-
FKN		Other Charge	-		1			-		1		-
					H			351,184				342,735
FKN	GLV	Number	1,809					-				-
FKN		Total Capacity kVA	65,233					-				-
FKN		Total CPD kW	10,212					-				-
FKN		Other Charge	2,167					-				-
					I			-				-

Appendix C

Area	GXP	Description	Tariff	Base Quantity	Price c/kWh 6 Sept 03			Price c/kWh 1 Oct 03				
					Mar-03	Network	Trans.	\$ 6 Sept 03	Network	Trans.	\$ 1 Oct 03	
Dunedin	Standard Domestic D	General Purpose (Summer)	SH010S	5,581,136		3.72	0.90	257,848		3.65	0.88	252,825
Dunedin	Standard Domestic D	General Purpose (Winter)	SH010W	5,620,414		3.85	3.10	390,619		3.77	3.04	382,750
Dunedin	Standard Domestic D	Seasonal Day (Summer)	SH011S	935,680		3.74	1.02	44,538		3.67	1.00	43,696
Dunedin	Standard Domestic D	Seasonal Day (Winter)	SH011W	1,142,532		4.22	3.56	88,889		4.14	3.49	87,175
Dunedin	Standard Domestic D	Seasonal Night (Summer)	SH012S	143,805		1.40	0.10	2,157		1.37	0.10	2,114
Dunedin	Standard Domestic D	Seasonal Night (Winter)	SH012W	136,885		1.40	0.10	2,053		1.37	0.10	2,012
Dunedin	Standard Domestic D	General Purpose & 16 hour Water	SH016S	194,025,809		2.22	1.30	6,829,708		2.28	1.17	6,693,890
Dunedin	Standard Domestic D	General Purpose & 16 hour Water	SH017W	186,867,965		3.40	1.87	9,847,942		3.43	1.73	9,642,387
Dunedin	Standard Domestic D	Night + 3 hour other load	SH024	8,719,442		1.75	0.58	203,163		1.72	0.57	199,675
Dunedin	Standard Domestic D	Night Rate	SH028	14,639,683		1.40	0.10	219,595		1.37	0.10	215,203
				417,813,351				17,886,513				17,521,729
Central	Standard Domestic C	General Purpose (Summer)	CC101S	23,817,518		4.94	1.14	1,448,105		4.94	1.14	1,448,105
Central	Standard Domestic C	General Purpose (Winter)	CC101W	24,563,901		5.73	3.35	2,230,402		5.73	3.35	2,230,402
Central	Standard Domestic C	Night + 5 hour other load	CC103	1,574,599		2.82	1.40	66,448		2.82	1.40	66,448
Central	Standard Domestic C	Night + 3 hour other load	CC104	4,054,650		2.50	0.74	131,371		2.50	0.74	131,371
Central	Standard Domestic C	Std Water Heating 16 hour	CC106	22,198,284		3.14	1.01	921,229		3.14	1.01	921,229
Central	Standard Domestic C	Night rate	CC108	2,057,378		2.13	0.10	45,880		2.13	0.10	45,880
Central	Standard Domestic C	Peak Water Heating 20 hour	CC109	524,057		3.62	1.48	26,727		3.62	1.48	26,727
				78,790,387				4,870,161				4,870,161
Central	Standard Domestic F	General Purpose (Summer)	FKN201S	17,002,543		4.60	1.06	962,344		4.49	1.03	938,540
Central	Standard Domestic F	General Purpose (Winter)	FKN201W	19,905,953		5.34	3.12	1,684,044		5.21	3.05	1,644,232
Central	Standard Domestic F	Night + 5 hour other load	FKN203	1,680,492		2.57	1.27	64,531		2.51	1.24	63,018
Central	Standard Domestic F	Night + 3 hour other load	FKN204	2,332,439		2.27	0.68	68,807		2.22	0.66	67,174
Central	Standard Domestic F	Std Water Heating 16 hour	FKN206	19,469,090		2.92	0.94	751,507		2.85	0.92	733,985
Central	Standard Domestic F	Night rate	FKN208	1,813,455		1.94	0.10	36,994		1.89	0.10	36,088
Central	Standard Domestic F	Peak Water Heating 20 hour	FKN209	532,089		3.36	1.37	25,168		3.28	1.34	24,583
				62,736,061				3,593,395				3,507,620
Central	Non Standard Domes	General Purpose	CC110	29,775,456				-				-
Central	Non Standard Domes	GP Seasonal Day (Summer)	CC111	6,196,309				-				-
Central	Non Standard Domes	GP Seasonal Day (Winter)	CC111	5,278,304				-				-
Central	Non Standard Domes	GP Seasonal Night (Summer)	CC112	3,127,893				-				-
Central	Non Standard Domes	GP Seasonal Night (Winter)	CC112	2,142,854				-				-
Central	Non Standard Domes	General Purpose + Water Heat	CC116	-				-				-
Central	Non Standard Domes	Night + 5 hour other load	CC123	1,262,745				-				-
Central	Non Standard Domes	Night + 3 hour other load	CC124	-				-				-
Central	Non Standard Domes	Std Water Heating 16 hour	CC126	5,554,732				-				-
Central	Non Standard Domes	Night + 3 hour Water Heating	CC127	514,644				-				-
Central	Non Standard Domes	Night rate	CC128	368,761				-				-
Central	Non Standard Domes	Peak Water Heating 20 hour	CC129	2,364,524				-				-
Central	Non Standard Domes	General Purpose	FKN210	33,391,114				-				-
Central	Non Standard Domes	GP Seasonal Day (Summer)	FKN211	5,565,924				-				-
Central	Non Standard Domes	GP Seasonal Day (Winter)	FKN211	5,193,929				-				-
Central	Non Standard Domes	GP Seasonal Night (Summer)	FKN212	2,073,374				-				-
Central	Non Standard Domes	GP Seasonal Night (Winter)	FKN212	2,551,725				-				-
Central	Non Standard Domes	General Purpose + Water Heat	FKN216	-				-				-
Central	Non Standard Domes	Night + 5 hour other load	FKN223	1,840,051				-				-
Central	Non Standard Domes	Night + 3 hour other load	FKN224	-				-				-
Central	Non Standard Domes	Std Water Heating 16 hour	FKN226	2,605,890				-				-
Central	Non Standard Domes	Night + 3 hour Water Heating	FKN227	787,901				-				-
Central	Non Standard Domes	Night rate	FKN228	354,467				-				-
Central	Non Standard Domes	Peak Water Heating 20 hour	FKN229	2,948,631				-				-
				57,313,006				-				-

