



2005 NEWS ARCHIVE

ENERGY CHARGES BY INDEPENDENTS JUMP 17% OVER PAST YEAR

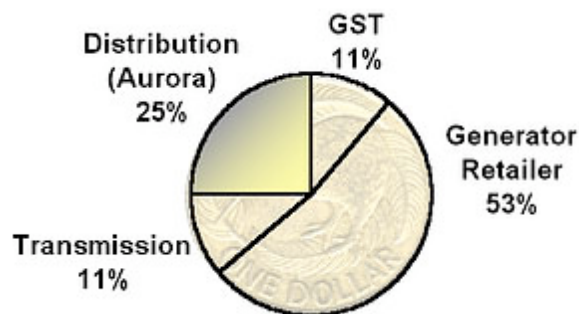
26 September 2005

The latest Ministry of Economic Development analysis of residential electricity prices reveals that average energy charges by independent retailers have jumped by 5% since May, bringing the increase over the past year to 17%. Over the same period, charges by incumbent retailers have risen by 12%.

While **average line charges by distributors like AURORA are 14% below 1998 levels after adjusting for inflation**, average energy prices charged by retailers are now;

- 71% higher than prior to competition
- 8% higher than their competitors.

Incumbent retailers are able to charge higher prices than "independent" retailers partly because of the reluctance of consumers to switch suppliers. Their energy price is generally 1 c/kWh higher.



PUBLIC INPUT INVITED ON DRAFT ASSET MANAGEMENT PLAN

29 April 2005

The draft Asset Management Plan, covering the ten year period 2005-2015, has been released for public comment. The final plan will be published on 30 June.

ENERGY CHARGES LEAP AGAIN

5 April 2005

The latest Ministry of Economic Development analysis of residential electricity prices reveals that, while **average line charges by distributors like AURORA are 12% below 1998 levels after adjusting for inflation**, average energy prices charged by retailers have leapt again. The data shows energy prices rising to their highest level since April 1998.

Incumbent retailers' energy charges are now:

- **69% higher than prior to competition**
- **12% higher than their competitors.**

Incumbent retailers are able to charge higher prices than "new entrant" retailers partly because of the reluctance of consumers to switch suppliers. Their energy price is generally 1 c/kWh higher.

AURORA LINE CHARGES INCREASE FROM 1 MAY

29 March 2005

Aurora's line charges to electricity retailers, for delivery to approximately 75,000 consumer installations in the Dunedin and Central Otago areas, will increase with effect from 1 May. "Overall, this will result in a 2.5% increase in revenue for Aurora and is in line with CPI", said Chairman Ray Polson today.

"The increase in prices is necessary to recover increased costs arising as a result of higher winter loads last year on the network and in recovering higher costs associated with the Electricity Commission, rates and general costs for the maintenance and operation of the network. Overall line charge price increases are limited by the Commerce Commission under the price path threshold regulations.

Should electricity retailers pass the cost to their customers; the expected impact on a monthly power bill for domestic consumers will be less than 25 cents per week for most consumers however some will see increases up to 50 cents per week. Retailers will advise their customers of any specific affect for them in due course".

LINE CHARGES STABLE BUT NO END IN SIGHT FOR ELECTRICITY PRICE RISES

6 January 2005

The latest Ministry of Economic Development analysis of residential electricity prices reveals that, while line charges by distributors like AURORA are 5% below 1998 levels after adjusting for inflation, average energy prices have leapt again. The data shows energy prices rising to their highest level since April 1998. Incumbent retailers' energy charges:

- **are now 64% higher than prior to competition**
- **are 15% higher than their competitors.**

Incumbent retailers are able to charge higher prices partly because of the reluctance of consumers to switch suppliers. However, this does not fully explain the 15% margin between them.