

OtagoNet Joint Venture

Notification of Line Charge Changes

Pursuant to the Electricity Distribution Information Disclosure Determination 2012, OtagoNet Joint Venture hereby gives notice that the following line charges will apply for Installation Control Points (ICPs) as from 1 April 2013.

The new and existing line charges for ICPs in the OtagoNet area are shown below:

The line charges do not include metering charges and are GST exclusive.

Pursuant to clause 2.4.19.(1)(b) of the Electricity Distribution Information Disclosure Determination 2012, new charges reflect an increase in Transmission charges and an increase in the distribution charges as allowed for by the Commerce Commission in the reset of the Default Price-Quality Path which allow us to operate and maintain the network to a safe and reliable standard.

Electricity consumers should note that these are the line charges as charged to the electricity retailers. Individual electricity retailers will make their own decisions whether to adjust their retail prices to consumers to reflect any changes in the line charges.

| | | New Charges | | | | | Previous Charges | | | |
|---|-------|---|-------------------------|---------------------|---------------------|--------------|-----------------------|---------------------|---------------------|--------------|
| | Code | Number of Consumers | Charges Effective from: | Distribution Charge | Transmission Charge | Total Charge | Charges Effective to: | Distribution Charge | Transmission Charge | Total Charge |
| Domestic Customers | | | | | | | | | | |
| Fixed Charge | | | | | | | | | | |
| Annual Charge \$ per kVA | 1 | 8,378 | 1-Apr-13 | \$48.88 | \$7.59 | \$56.47 | 31-Mar-13 | \$46.18 | \$7.40 | \$53.58 |
| Variable Charge | | | | | | | | | | |
| Day \$/kWh at the Grid Exit Point | 1 | | 1-Apr-13 | \$0.1085 | \$0.0168 | \$0.12535 | 31-Mar-13 | \$0.1025 | \$0.0164 | \$0.11893 |
| Night \$/kWh at the Grid Exit Point | 1 | | 1-Apr-13 | \$0.0126 | \$0.0019 | \$0.01450 | 31-Mar-13 | \$0.01189 | \$0.0019 | \$0.01380 |
| Commercial Customers | | | | | | | | | | |
| Fixed Charge | | | | | | | | | | |
| Annual Charge \$ per kVA of Supply Capacity | 2 | 3,376 | 1-Apr-13 | \$81.48 | \$12.65 | \$94.13 | 31-Mar-13 | \$76.97 | \$12.34 | \$89.31 |
| Variable Charge | | | | | | | | | | |
| Day \$/kWh at the Grid Exit Point | 2 | | 1-Apr-13 | \$0.1085 | \$0.0168 | \$0.12535 | 31-Mar-13 | \$0.1025 | \$0.0164 | \$0.11893 |
| Night \$/kWh at the Grid Exit Point | 2 | | 1-Apr-13 | \$0.01255 | \$0.0019 | \$0.01450 | 31-Mar-13 | \$0.01189 | \$0.0019 | \$0.01380 |
| Maximum Demand Customers | | | | | | | | | | |
| Fixed Charges | | | | | | | | | | |
| Annual Charge \$ per kVA of Supply Capacity | 3 | 46 | 1-Apr-13 | \$39.60 | \$6.147 | \$45.75 | 31-Mar-13 | \$37.41 | \$5.999 | \$43.41 |
| Annual Charge \$ per kVA per each months Maximum Demand | 3 | | 1-Apr-13 | \$33.52 | \$5.203 | \$38.72 | 31-Mar-13 | \$31.66 | \$5.077 | \$36.74 |
| Variable Charge | | | | | | | | | | |
| Winter Day \$/kWh at the Grid Exit Point | 3 | | 1-Apr-13 | \$0.0661 | \$0.0103 | \$0.0764 | 31-Mar-13 | \$0.0625 | \$0.0100 | \$0.0725 |
| Summer Day \$/kWh at the Grid Exit Point | 3 | | 1-Apr-13 | \$0.0347 | \$0.0054 | \$0.0401 | 31-Mar-13 | \$0.0327 | \$0.0053 | \$0.0380 |
| All Nights \$/kWh at the Grid Exit Point | 3 | | 1-Apr-13 | \$0.0052 | \$0.0008 | \$0.0060 | 31-Mar-13 | \$0.0049 | \$0.0008 | \$0.0057 |
| Major Customers | | | | | | | | | | |
| | 4 | Major customers have their network charges calculated individually. These individual charges take into account the following factors: Allocation of the network components based on their capacity and demand and including backup or alternative feeds. Value of the network components allocated based on the current ORC valuation Proportion of the Transpower charges based on their capacity and demand and the Transpower grid exit charges. Presently there are 23 major customers to which these major customer charges apply. | | | | | | | | |
| Unmetered Loads up to 1 kVA | | | | | | | | | | |
| Fixed Charge | | | | | | | | | | |
| Annual Charge | 5 | 88 | 1-Apr-13 | \$200.91 | \$31.187 | \$232.10 | 31-Mar-13 | \$189.78 | \$30.433 | \$220.21 |
| Variable Charge | | | | | | | | | | |
| Day \$/kWh at the Grid Exit Point | 5 | | 1-Apr-13 | \$0.1085 | \$0.0168 | \$0.12535 | 31-Mar-13 | \$0.1025 | \$0.0164 | \$0.11893 |
| Night \$/kWh at the Grid Exit Point | 5 | | 1-Apr-13 | \$0.01255 | \$0.0019 | \$0.01450 | 31-Mar-13 | \$0.01189 | \$0.0019 | \$0.01380 |
| Street Lights | | | | | | | | | | |
| Fixed Charge | | | | | | | | | | |
| Annual Charge per lamp watt per year | 6 | 9 | 1-Apr-13 | \$0.376 | \$0.058 | \$0.434 | 31-Mar-13 | \$0.355 | \$0.057 | \$0.412 |
| Variable Charge | | | | | | | | | | |
| Day \$/kWh at the Grid Exit Point | 6 | | 1-Apr-13 | \$0.1085 | \$0.0168 | \$0.12535 | 31-Mar-13 | \$0.1025 | \$0.0164 | \$0.11893 |
| Night \$/kWh at the Grid Exit Point | 6 | | 1-Apr-13 | \$0.01255 | \$0.0019 | \$0.01450 | 31-Mar-13 | \$0.01189 | \$0.0019 | \$0.01380 |
| Domestic Low User | | | | | | | | | | |
| Fixed Charge | | | | | | | | | | |
| All Peak \$ per Day | 8 | 872 | 1-Apr-13 | \$0.0589 | \$0.009 | \$0.068 | 31-Mar-13 | \$0.0586 | \$0.009 | \$0.068 |
| Off Peak \$ per Day | 7 | 2,003 | 1-Apr-13 | \$0.00 | \$0.000 | \$0.00 | 31-Mar-13 | \$0.00 | \$0.000 | \$0.00 |
| Variable Charge | | | | | | | | | | |
| Day \$/kWh at the ICP meter | 7 & 8 | | 1-Apr-13 | \$0.1835 | \$0.0285 | \$0.21203 | 31-Mar-13 | \$0.1734 | \$0.02780 | \$0.2012 |
| Night \$/kWh at the ICP meter | 7 & 8 | | 1-Apr-13 | \$0.02005 | \$0.00311 | \$0.02316 | 31-Mar-13 | \$0.01893 | \$0.00304 | \$0.02197 |

Definitions:

Domestic Low User options - these options are available to domestic households only and must be the customers primary place of residence, usage must be at least 1000kWh for each four month period of the year.

Summer Day means the period of time from 07:00 until 23:00 on all days between the 1st of October and 30th of April.

Winter Day means the period of time from 07:00 until 23:00 on all days between the 1st of May and the 30th September.

Night means the period of time from 23:00 until 07:00 on all nights of the year.

Grid Exit Point means the Transpower substation that supplies the customer. The Retailer's energy for classes 1,2,5 & 6 is calculated by subtracting the day and night kWh figures, plus losses, of the maximum demand, major customers and Domestic Low User Option from the Retailer's reconciled energy at each grid exit point.

Loss Factors - The loss factor for all ICP's except the major customers is 1.0750. Major customers have individual loss factors.

| | | |
|--------------------------------------|------------------|--------|
| Major Customers Loss factors: | ICP 1995995TGE58 | 1.0190 |
| | ICP 1990133TG0E5 | 1.0024 |
| | ICP 1990220TG58B | 1.0048 |
| | ICP 1700063TGC3B | 1.0480 |

Power Factor Charges

All charges assume a power factor of not less than 0.95 lagging.

Non-Domestic customers may have a data logger installed to assess their power factor. If a non-domestic customer has a power factor of less than 0.95 lagging and after a period of 12 months notice has not been corrected then an annual power factor charge of \$80 per kVA will be applied.

The kVA is based on the total kVA less kVA at 0.95 power factor. The kVA will be assessed on the average of the 12 highest kWh half hour periods during the assessment period.

Application of the power factor charge will be at the sole discretion of the Distributor.