OtagoNet Joint Venture

Default Price-Quality Path

Annual Price Setting Compliance Statement

1 April 2024 – 31 March 2025 Assessment Period

28 March 2024

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1. Introduction

OtagoNet Joint Venture is subject to price-quality regulation under Part 4 of the Commerce Act 1986. The Commerce Commission has set a Default Price-Quality Path (DPP) which applies to OtagoNet Joint Venture from 1 April 2020.

This price-setting compliance statement is published in accordance with clause 11.1 of the 2020 DPP Determination, and applies to the fifth assessment period, commencing 1 April 2024 and ending 31 March 2025.

2. Date prepared

This statement was prepared on 28 March 2024.

3. Statement of compliance

As demonstrated in Table 1 below, and consistent with clause 8.4 of the 2020 DPP Determination, OtagoNet Joint Venture has complied with the price path for the fifth assessment period.

Table 1

Compliance with price path RY25		
Forecast revenue from prices must not exceed the lesser of: (a) The forecast allowable revenue for that assessment period, and (b) The amount determined in accordance with the following formula: The forecast revenue from prices for the previous assessment period x (1 + limit on annual percentage increase in forecast revenue from prices)		
Term	Description	Value ($000)
Forecast revenue from prices ($000)	Forecast prices between 1 April 2024 and 31 March 2025 multiplied by forecast quantities for the period ending 31 March 2025	36,998
Forecast allowable revenue ($000)	The sum of forecast net allowable revenue, forecast pass-through and recoverable costs, opening wash-up account balance and the passthrough balance allowance	37,201
Maximum allowable forecast revenue from prices ($000)	Forecast revenue from prices for the previous assessment period x (1 + limit on annual percentage increase in forecast revenue from prices)	37,067
Maximum allowable forecast revenue ($000)	The lessor of the forecast allowable revenue and maximum allowable forecast revenue from prices	37,067
Compliance Result	Forecast revenue from prices ≤ forecast allowable revenue and maximum allowable forecast revenue from prices	**Compliant**

Further information supporting forecast allowable revenue is included in Section 5 and Appendix A.

Further information supporting forecast revenue from prices is included in Section 6 and Appendix B.

4. Director's certification

A Director's certificate in the form set out in Schedule 6 of the 2020 DPP Determination is included as Appendix C.

5. Forecast allowable revenue

Table 2 shows the derivation of forecast allowable revenue, consistent with the requirements of Schedule 1.5 of the 2020 DPP Determination.

Table 2

Forecast allowable revenue RY25		
Term	Description	Value ($000)
Forecast net allowable revenue	*Forecast net allowable revenue as set out in Table 1.4.1 in Schedule 1.4 for the period ending 31 March 2025*	27,898
Forecast pass through costs	*Forecast pass-through costs and forecast recoverable costs*	389
Forecast recoverable costs	*Forecast recoverable costs, excluding any recoverable cost that is a revenue wash-up drawn down amount*	6,650
Opening wash-up account balance	*The opening wash-up account balance for the fifth assessment period of the DPP regulatory period is the closing wash-up account balance of the previous assessment period as set out in Schedule 1.7 (1)(b)*	2,264
Pass-through balance allowance	*The Pass-through balance allowance for the fifth assessment period is nil as outlined in clause 4.2 of the 2020 DPP Determination*	-
Total		37,201

Appendix A shows the components of the forecast pass-through and recoverable costs, and the pass-through balance allowance.

The methodology to derive the forecasts of the pass-through and recoverable costs is documented in Appendix A.

6. Forecast revenue from prices

Table 3 shows forecast revenue from prices.

Table 3

Forecast revenue from prices RY25		
Term	Description	Value ($000)
$\Sigma P_{2024/25}{}^{*}Q_{2024/25}$	*Forecast prices between 1 April 2024 and 31 March 2025 multiplied by forecast quantities for the period ending 31 March 2025*	36,998

Appendix B shows the components of forecast revenue from prices. The methodology to forecast the quantities associated with each price is documented in Appendix B.

7. Maximum Allowable Forecast revenue from prices

Table 4 shows the maximum allowable forecast revenue from prices, consistent with the requirements of clause 8.4 of the 2020 DPP Determination.

Table 4

Maximum Allowable Forecast revenue from Prices RY25		
Term	Description	Value ($000)
Forecast revenue from prices from previous assessment period	Forecast revenue from prices between 1 April 2023 and 31 March 2024 multiplied by forecast quantities for the period ending 31 March 2024	33,698
Limit on annual percentage increase in forecast revenue from prices		10%
Maximum allowable forecast revenue from prices	Forecast revenue from prices for the previous assessment period x (1 + limit on annual percentage increase in forecast revenue from prices)	37,067

Appendix A – Pass-through and recoverable costs

Forecast pass-through costs

Table 5

Forecast Pass-through Costs RY25		
Forecast pass-through costs	$000	Forecasting methodology
Rates on system fixed assets	192	OJV Actuals for 2022-23 + CPI
Commerce Act levies	99	OJV Actuals for 2022-23 + CPI
Electricity Authority levies	86	OJV Actuals for 2022-23 + CPI
Utilities Disputes levies	12	OJV Actuals for 2022-23 + CPI
Total forecast pass-through costs	**389**	

The forecasting method used to determine the pass-through costs for RY25 is to use the actual amounts published for the 2022 -2023 DPP compliance statement and adjusted for CPI.

Forecast recoverable costs

Table 6

Forecast Recoverable Costs RY25		
Forecast recoverable costs	$000	Forecasting methodology
IRIS incentive adjustment	(320)	Commerce Commission calculation of IRIS spreadsheet
Transpower transmission charges	7,195	Transpower pricing notification for 2024-25
New investment contract charges	107	Transpower pricing notification for 2024-25
Capex wash-up adjustment	(242)	Commerce Commission calculation of Capex wash-up spreadsheet
System operator services charges		
Avoided transmission charges - purchased assets		
Distributed generation allowance	-	
Claw-back		
Catastrophic event allowance		
Extended reserves allowance		
Quality incentive adjustment	(121)	2023 DPP Compliance statement
Transmission asset wash-up adjustment	-	
Reconsideration event allowance	-	
Quality standard variation engineers fee	-	
Urgent project allowance	-	
Fire and emergency NZ levies	30	OJV Actuals for 2022-23 + CPI
Innovation project allowance	-	
Total forecast recoverable costs	**6,650**	

The IRIS incentive adjustment is forecast using the value determined by the Commerce Commission in its "calculation of IRIS recoverable costs for DPP3" spreadsheet.

Transpower transmission and new investment contract charges are forecast from Transpower's 2024-25 pricing notification to OJV.

Distributed generation allowance is no longer a recoverable cost due to the Electricity Authority amending the Electricity Industry Participation Code 2010 to remove the requirement on distributors to make ACOT payments to qualifying distributed generators following the implementation of the new Transmission Pricing Methodology on 1 April 2023.

The Quantity incentive adjustment is forecast using the amount calculated in the OJV 2023 DPP compliance statement.

The Capex wash-up adjustment value is determined by the Commerce Commission in its "capex wash-up guidance calculation spreadsheet for the 2020–2025 EDB DPP".

Fire and Emergency NZ levies are forecast by using the 2022-23 actuals and adjusting for CPI increases.

Pass-through balance allowance

The pass-through balance allowance is nil for the third to fifth assessment periods.

Appendix B – Forecast prices and quantities

Table 8 shows the forecast prices and quantities for the forecast revenue from prices for the fifth assessment period.

Table 8

Forecast revenue from prices RY25									
Price Category	Unit	Unit price	Forecast quantity	Forecast kVA	Forecast revenue ($000)				
Otago Region									
Residential Standard - Fixed Price	*$/kVA/yr*	$ 63.96	6991	10.00	4,471.72				
Residential Low Fixed Charge - Fixed Price	*$/day*	$ 0.60	3726		816.03				
Residential Low Fixed Charge - Fixed Price	*$/day*	$ 0.60	1396		305.67				
General Connection Group - Fixed Price per kVA	*$/kVA/yr*	$ 63.96	3327	18.52	3,941.03				
Unmetered Loads up to 1 kVA - Fixed Charge per connection	*$/yr*	$ 252.95	82		20.74				
Street Lights Fixed Price per lamp watt per annum	*$/watts/yr*	$ 0.47	131246		62.09				
Total Fixed Prices					**$ 9,617.29**				
Variable Prices		Peak/kWh	Shoulder/kWh	Night/kWh	$/Peak kWh	$/Shoulder kWh	$/Night kWh	Total ($000)	
Residential & General		44,116,683	39,104,607	30,562,102	0.112790	0.099414	0.022800	9,560.29	
Residential Low User		10,574,396	9,339,109	7,524,250	0.182500	0.171823	0.027240	3,739.46	
Total Variable Prices								**13,299.75**	

Price Category Individual line charge	Unit	Unit price	Forecast quantity	Forecast revenue ($000)	Unit	Unit price	Forecast quantity	Forecast revenue ($000)	Forecast Total revenue ($000)
0001995995TGE58	*$/day*	$ 6,407.88	1	$ 2,338.88	$/MWh	0.00		0.00	2338.88
0001990133TG0E5	*$/day*	$ 1,246.06	1	$ 454.81	$/MWh	0.00		0.00	454.81
0001990220TG58B	*$/day*	$ 1,808.87	1	$ 660.24	$/MWh	0.00		0.00	660.24
0001090833TG6F1	*$/day*	$ 16.36	1	$ 5.97	$/MWh	152.42	26.12	3.98	9.95
0001120438TGE4C	*$/day*	$ 11.84	1	$ 4.32	$/MWh	0.00	82.36	0.00	4.32
0001230615TG210	*$/day*	$ 21.51	1	$ 7.85	$/MWh	17.83	293.63	5.23	13.09
0001230783TG57C	*$/day*	$ 74.90	1	$ 27.34	$/MWh	27.80	655.53	18.23	45.56
0001230785TG4F3	*$/day*	$ 22.97	1	$ 8.38	$/MWh	24.00	232.90	5.59	13.97
0001230940TG858	*$/day*	$ 104.99	1	$ 38.32	$/MWh	58.80	434.51	25.55	63.87
0001230990TG51A	*$/day*	$ 14.85	1	$ 5.42	$/MWh	108.19	33.41	3.61	9.04
0001231005TGF1B	*$/day*	$ 515.79	1	$ 188.26	$/MWh	41.19	3047.10	125.51	313.77
0001231172TGE88	*$/day*	$ 212.32	1	$ 77.50	$/MWh	24.98	2068.26	51.66	129.16
0001250655TG2ED	*$/day*	$ 6.97	1	$ 2.55	$/MWh	0.00	75.97	0.00	2.55
0001320515TGD9E	*$/day*	$ 10.53	1	$ 3.84	$/MWh	37.18	68.93	2.56	6.41
0001321124TGB82	*$/day*	$ 22.90	1	$ 8.36	$/MWh	0.00	80.88	0.00	8.36
0001370505TG447	*$/day*	$ 24.58	1	$ 8.97	$/MWh	0.00	173.86	0.00	8.97
0001370610TG0A6	*$/day*	$ 16.49	1	$ 6.02	$/MWh	80.56	49.82	4.01	10.03
0001401195TG9B3	*$/day*	$ 19.26	1	$ 7.03	$/MWh	0.00	186.09	0.00	7.03
0001450225TGAD6	*$/day*	$ 21.90	1	$ 7.99	$/MWh	15.94	334.42	5.33	13.32
0001450400TGCCA	*$/day*	$ 17.42	1	$ 6.36	$/MWh	15.03	282.11	4.24	10.60
0001452050TGB83	*$/day*	$ 10.69	1	$ 3.90	$/MWh	13.11	198.35	2.60	6.50
0001450055TG58C	*$/day*	$ 28.55	1	$ 10.42	$/MWh	34.87	199.20	6.95	17.37

0001491270TGA81	$/day	$ 6.25	1	$ 2.28	$/MWh	26.96	56.44	1.52	3.80
0001520870TGB4E	$/day	$ 15.54	1	$ 5.67	$/MWh	27.89	135.60	3.78	9.45
0001580380TGEBF	$/day	$ 11.53	1	$ 4.21	$/MWh	86.64	32.37	2.80	7.01
0001640675TGEE6	$/day	$ 86.08	1	$ 31.42	$/MWh	0.00	242.98	0.00	31.42
0001690827TGC31	$/day	$ 9.60	1	$ 3.50	$/MWh	0.00	5.99	0.00	3.50
0001700063TGC3B	$/day	$ 244.60	1	$ 89.28	$/MWh	0.00	126.28	0.00	89.28
0001710106TGF61	$/day	$ 52.25	1	$ 19.07	$/MWh	0.00	51.89	0.00	19.07
0001710108TGCFA	$/day	$ 99.62	1	$ 36.36	$/MWh	0.00	117.12	0.00	36.36
0001730075TG635	$/day	$ 25.93	1	$ 9.46	$/MWh	0.00	60.45	0.00	9.46
0001730798TGCD6	$/day	$ 5.32	1	$ 1.94	$/MWh	0.00	2.00	0.00	1.94
0001730830TG9D2	$/day	$ 137.29	1	$ 50.11	$/MWh	0.00	512.98	0.00	50.11
0001730849TG2DE	$/day	$ 63.37	1	$ 23.13	$/MWh	0.00	70.91	0.00	23.13
0001731355TG9C3	$/day	$ 72.76	1	$ 26.56	$/MWh	0.00	140.85	0.00	26.56
0001730881TG725	$/day	$ 40.10	1	$ 14.63	$/MWh	0.00	137.51	0.00	14.63
0001731161TG536	$/day	$ 51.96	1	$ 18.97	$/MWh	0.00	167.38	0.00	18.97
0001731175TGE91	$/day	$ 73.97	1	$ 27.00	$/MWh	0.00	272.03	0.00	27.00
0001731255TG0C7	$/day	$ 56.43	1	$ 20.60	$/MWh	36.45	376.76	13.73	34.33
0001760225TG74E	$/day	$ 28.67	1	$ 10.46	$/MWh	17.91	389.56	6.98	17.44
0001760343TG035	$/day	$ 30.64	1	$ 11.18	$/MWh	22.84	326.44	7.46	18.64
0001772060TG902	$/day	$ 74.56	1	$ 27.21	$/MWh	0.00	474.69	0.00	27.21
0001772165TGD49	$/day	$ 36.30	1	$ 13.25	$/MWh	0.00	78.78	0.00	13.25
0001780560TGADB	$/day	$ 23.02	1	$ 8.40	$/MWh	0.00	190.18	0.00	8.40
0001811005TG57F	$/day	$ 15.27	1	$ 5.57	$/MWh	260.20	14.28	3.72	9.29
0001820703TGB7E	$/day	$ 36.54	1	$ 13.34	$/MWh	26.58	334.52	8.89	22.23
0001830031TGBE0	$/day	$ 29.34	1	$ 10.71	$/MWh	0.00	125.59	0.00	10.71
0001830497TGE71	$/day	$ 36.46	1	$ 13.31	$/MWh	49.02	181.00	8.87	22.18
0001830541TGBB8	$/day	$ 1,133.06	1	$ 413.57	$/MWh	0.00	9432.07	0.00	413.57
0001830828TGF11	$/day	$ 14.09	1	$ 5.14	$/MWh	0.00	84.76	0.00	5.14
0001830903TG594	$/day	$ 18.29	1	$ 6.68	$/MWh	0.00	46.47	0.00	6.68
0001840612TG6CA	$/day	$ 37.58	1	$ 13.72	$/MWh	20.30	450.56	9.15	22.86
0001740775TG38E	$/day	$ 24.39	1	$ 8.90	$/MWh	49.41	120.12	5.94	14.84
0001940050TG680	$/day	$ 41.62	1	$ 15.19	$/MWh	27.57	367.40	10.13	25.32
0001940060TG178	$/day	$ 164.86	1	$ 60.17	$/MWh	29.03	1381.81	40.12	100.29
0001940090TG16F	$/day	$ 21.35	1	$ 7.79	$/MWh	33.53	154.95	5.20	12.99
0001940095TGC20	$/day	$ 33.21	1	$ 12.12	$/MWh	58.31	138.59	8.08	20.20
0001940100TG78C	$/day	$ 85.54	1	$ 31.22	$/MWh	34.03	611.62	20.81	52.04
0001940110TGD21	$/day	$ 33.69	1	$ 12.30	$/MWh	42.60	192.44	8.20	20.50
0001940350TG583	$/day	$ 15.09	1	$ 5.51	$/MWh	19.55	187.80	3.67	9.18
0001940650TG086	$/day	$ 32.58	1	$ 11.89	$/MWh	39.53	200.55	7.93	19.82
0001940905TGACE	$/day	$ 22.66	1	$ 8.27	$/MWh	22.43	245.78	5.51	13.78
0001940907TGA4B	$/day	$ 60.82	1	$ 22.20	$/MWh	31.68	467.16	14.80	37.00
0001940910TGD2C	$/day	$ 95.02	1	$ 34.68	$/MWh	20.64	1120.34	23.12	57.80
0001941000TGF28	$/day	$ 47.47	1	$ 17.33	$/MWh	25.74	448.77	11.55	28.88
0001950500TG36C	$/day	$ 19.75	1	$ 7.21	$/MWh	17.24	278.78	4.81	12.02
0001950550TGB64	$/day	$ 26.37	1	$ 9.62	$/MWh	20.56	312.10	6.42	16.04
0001950800TG664	$/day	$ 8.78	1	$ 3.21	$/MWh	97.91	21.83	2.14	5.34
0001950850TGE6C	$/day	$ 9.61	1	$ 3.51	$/MWh	241.64	9.68	2.34	5.85

0001950900TGF60	*$/day*	$ 23.16	1	$ 8.45	$/MWh	18.64	302.45	5.64	14.09
0001951100TGECD	*$/day*	$ 52.08	1	$ 19.01	$/MWh	24.19	523.95	12.67	31.68
0001951200TGDCE	*$/day*	$ 23.98	1	$ 8.75	$/MWh	127.35	45.82	5.84	14.59
0001951320TG99F	*$/day*	$ 25.84	1	$ 9.43	$/MWh	0.00	74.63	0.00	9.43
0001951350TGCC2	*$/day*	$ 3.85	1	$ 1.41	$/MWh	937.37	1.00	0.94	2.34
0001951500TG2CC	*$/day*	$ 47.31	1	$ 17.27	$/MWh	15.32	751.38	11.51	28.78
0001951600TG1CF	*$/day*	$ 16.83	1	$ 6.14	$/MWh	29.06	140.91	4.09	10.24
0001951750TG0C3	*$/day*	$ 22.34	1	$ 8.15	$/MWh	16.80	323.62	5.44	13.59
0001951790TG72C	*$/day*	$ 42.28	1	$ 15.43	$/MWh	31.10	330.77	10.29	25.72
0001952100TGC2D	*$/day*	$ 99.22	1	$ 36.21	$/MWh	46.41	520.16	24.14	60.36
0001952400TG928	*$/day*	$ 17.91	1	$ 6.54	$/MWh	29.68	146.89	4.36	10.90
0001952500TG02C	*$/day*	$ 60.33	1	$ 22.02	$/MWh	34.38	427.05	14.68	36.70
0001952510TGA81	*$/day*	$ 6.21	1	$ 2.27	$/MWh	0.00	11.20	0.00	2.27
0002011523TGC1A	*$/day*	$ 65.45	1	$ 23.89	$/MWh	0.00	189.93	0.00	23.89
0002110863TGE7B	*$/day*	$ 34.62	1	$ 12.64	$/MWh	20.08	419.62	8.42	21.06
0002381026TGF20	*$/day*	$ 107.75	1	$ 39.33	$/MWh	35.92	729.91	26.22	65.55
0002641192TGCFF	*$/day*	$ 79.30	1	$ 28.94	$/MWh	0.00	181.93	0.00	28.94
0002700906TGC46	*$/day*	$ 23.22	1	$ 8.47	$/MWh	0.00	61.66	0.00	8.47
0002751710TG3BB	*$/day*	$ 64.16	1	$ 23.42	$/MWh	0.00	151.38	0.00	23.42
0002751750TG11E	*$/day*	$ 53.14	1	$ 19.40	$/MWh	0.00	105.12	0.00	19.40
0002751765TGBA9	*$/day*	$ 9.82	1	$ 3.58	$/MWh	0.00	2.00	0.00	3.58
0002751767TGB2C	*$/day*	$ 53.19	1	$ 19.41	$/MWh	0.00	109.95	0.00	19.41
0002751838TG3F5	*$/day*	$ 27.13	1	$ 9.90	$/MWh	0.00	62.78	0.00	9.90
0002751847TG976	*$/day*	$ 40.29	1	$ 14.71	$/MWh	0.00	134.31	0.00	14.71
0002751848TG6A8	*$/day*	$ 61.47	1	$ 22.43	$/MWh	0.00	183.49	0.00	22.43
0002751858TGC05	*$/day*	$ 37.49	1	$ 13.68	$/MWh	0.00	44.91	0.00	13.68
0002781189TG85A	*$/day*	$ 16.07	1	$ 5.87	$/MWh	0.00	94.25	0.00	5.87
0002841699TG73F	*$/day*	$ 15.23	1	$ 5.56	$/MWh	0.00	79.63	0.00	5.56
0002842004TG365	*$/day*	$ 37.21	1	$ 13.58	$/MWh	0.00	235.47	0.00	13.58
0002871188TGFF9	*$/day*	$ 16.73	1	$ 6.11	$/MWh	0.00	134.78	0.00	6.11
0003752355TG409	*$/day*	$ 115.02	1	$ 41.98	$/MWh	0.00	469.03	0.00	41.98
0003752365TG3F1	*$/day*	$ 20.45	1	$ 7.46	$/MWh	30.44	163.47	4.98	12.44
0003752367TG374	*$/day*	$ 16.70	1	$ 6.09	$/MWh	0.00	51.20	0.00	6.09
0003752380TG404	*$/day*	$ 36.95	1	$ 13.49	$/MWh	0.00	149.43	0.00	13.49
0002841739TG624	*$/day*	$ 31.61	1	$ 11.54	$/MWh	0.00	76.36	0.00	11.54
0001730339TG48D	*$/day*	$ 31.23	1	$ 11.40	$/MWh	0.00	28.49	0.00	11.40
0002742401TGC51	*$/day*	$ 10.24	1	$ 3.74	$/MWh	24.48	101.81	2.49	6.23
0001731183TGF09	*$/day*	$ 22.32	1	$ 8.15	$/MWh	0.00	25.84	0.00	8.15
0001731193TG5A4	*$/day*	$ 36.33	1	$ 13.26	$/MWh	0.00	53.04	0.00	13.26
0001731110TGC2E	*$/day*	$ 30.73	1	$ 11.22	$/MWh	0.00	88.46	0.00	11.22
0002841432TGBF3	*$/day*	$ 18.51	1	$ 6.76	$/MWh	0.00	77.81	0.00	6.76
0001450001TGC8E	*$/day*	$ 41.21	1	$ 15.04	$/MWh	13.65	734.95	10.03	25.07
0001952110TG680	*$/day*	$ 44.47	1	$ 16.23	$/MWh	47.81	226.36	10.82	27.05
Generators	*$/day*	$ 1,121.80	1	$ 409.46	$/MWh		0.00	0.00	409.46
Total									**$ 6,774**

Price Category	Unit	Unit price	Forecast quantity	Forecast kW	Forecast revenue ($000)
Lakeland Region					
Residential Fixed Charges					
LD15	*$/day*	$ 0.60	4249.98		$ 930.75
LM15	*$/day*	$ 0.60	4.00		$ 0.88
LD08	*$/day*	$ 0.32	10.50		$ 1.24
Standard Residential Variable Charges					
LD24S	*$/MWh*	$ 115.600	10041.25		$ 1,160.7691
LD24W	*$/MWh*	$ 173.900	14202.94		$ 2,469.8914
LD20C	*$/MWh*	$ 70.4000	20.68		$ 1.4559
LD16C	*$/MWh*	$ 55.2000	7335.16		$ 404.9006
LD13C	*$/MWh*	$ 58.0000	1.35666		$ 0.0787
LD11C	*$/MWh*	$ 33.4000	4.39417		$ 0.1468
LD08C	*$/MWh*	$ 14.6000	17.66373		$ 0.2579
General Fixed Charges					
LS001	*$/day*	$ 0.7801	6.95		$ 1.98
LS002	*$/day*	$ 1.5440	0.00		$ -
LS008	*$/day*	$ 0.8883	58.05		$ 18.82
LS015	*$/day*	$ 1.5334	240.53		$ 134.62
LS023	*$/day*	$ 1.9353	23.60		$ 16.67
LT028	*$/day*	$ 2.3408	1.00		$ 0.85
LT015	*$/day*	$ 1.5334	14.50		$ 8.12
LT024	*$/day*	$ 2.0164	21.00		$ 15.46
LT041	*$/day*	$ 3.3953	126.17		$ 156.36
LT069	*$/day*	$ 5.6663	48.00		$ 99.27
LT103	*$/day*	$ 8.4241	16.00		$ 49.20
LT138	*$/day*	$ 11.2630	4.00		$ 16.44
LT172	*$/day*	$ 30.3157	2.00		$ 22.13
LT207	*$/day*	$ 36.2107	4.00		$ 52.87
LT276	*$/day*	$ 45.2043	10.50		$ 173.25
General Control Period Demand Charges					
LS001	*$/kW/day*		6.95		
LS002	*$/kW/day*		0.00		
LS008	*$/kW/day*	$ 0.7069	58.05	1.33	$ 19.94
LS015	*$/kW/day*	$ 0.7069	240.53	2.07	$ 128.40
LS023	*$/kW/day*	$ 0.7706	23.60	3.51	$ 23.32
LT028	*$/kW/day*	$ 0.7706	1.00	1.56	$ 0.44
LT015	*$/kW/day*	$ 0.7069	14.50	1.44	$ 5.39
LT024	*$/kW/day*	$ 0.7706	21.00	5.25	$ 31.04
LT041	*$/kW/day*	$ 0.7706	126.17	5.94	$ 210.90
LT069	*$/kW/day*	$ 0.7706	48.00	9.05	$ 122.20

LT103	*$/kW/day*	$ 0.7706	16.00	16.95	$ 76.26
LT138	*$/kW/day*	$ 0.7706	4.00	14.62	$ 16.45
LT172	*$/kW/day*	$ 0.5229	2.00	16.14	$ 6.16
LT207	*$/kW/day*	$ 0.5229	4.00	47.65	$ 36.38
LT276	*$/kW/day*	$ 0.5229	10.50	56.09	$ 112.40
Total					**$ 6,525.67**

Price Category Individual line charge	Unit	Unit price	Forecast quantity	Forecast revenue ($000)	Unit	Unit price	Forecast quantity	Forecast revenue ($000)	Forecast Total revenue ($000)
950315LN40D	*$/day*	$ 36.14	1	$ 13.19	$/MWh	$ -		$ -	$ 13.191
950320LNEBA	*$/day*	$ 42.84	1	$ 15.64	$/MWh	$ -		$ -	$ 15.636
950325LN3F5	*$/day*	$ 338.89	1	$ 123.69	$/MWh	$ -		$ -	$ 123.694
950330LN417	*$/day*	$ 105.34	1	$ 38.45	$/MWh	$ -		$ -	$ 38.448
950335LN958	*$/day*	$ 88.36	1	$ 32.25	$/MWh	$ -		$ -	$ 32.253
950934LNF17	*$/day*	$ 134.10	1	$ 48.95	$/MWh	$ -		$ -	$ 48.947
959005LN103	*$/day*	$ 119.15	1	$ 43.49	$/MWh	$ -		$ -	$ 43.490
952081LNAA3	*$/day*	$ 389.87	1	$ 142.30	$/MWh	$ -		$ -	$ 142.302
959018LN4F5	*$/day*	$ 306.23	1	$ 111.77	$/MWh	$ -		$ -	$ 111.773
9595701LN19A	*$/day*	$ 116.21	1	$ 42.42	$/MWh	$ -		$ -	$ 42.417
9593601LND5E	*$/day*	$ 152.95	1	$ 55.83	$/MWh	$ -		$ -	$ 55.825
951901LN400	*$/day*	$ 196.86	1	$ 71.85	$/MWh	$ -		$ -	$ 71.852
986001LN538	*$/day*	$ 114.16	1	$ 41.67	$/MWh	$ -		$ -	$ 41.667
Total									**$ 781.49**
$\Sigma P_{2024/25}*Q_{2024/25}$									**$ 36,998**

The following quantity forecasts methods have been used for the setting of the forecast revenue from prices for the fifth assessment period:

- **Fixed charges for residential and general**- residential and general quantities in the Otago region are calculated by taking the November 2023 quantities and adjusting these by a change factor. The change factor is based on the change in the number of ICP's from the actual quantities at November 2023 and the quantity numbers at November 2022. This new adjusted total figure is then averaged with the November 2023 quantity. The averaged quantity is the quantity figure to represent the average number of connections for the forecast year.

  The forecast quantities for the unmetered and streetlight tariffs are forecast using the actual November 2023 values.

  Lakeland region residential and general quantities are forecast by calculating the average monthly increase or decrease in each price category connection numbers for the period December 2022 to November 2023, this monthly average is then annualised to establish an annual growth number, this growth number is then added to the actual November 2023 number to create a total number, the total number is

then averaged with the November 2023 actual number to calculate the final forecast connection quantity numbers.

- **Control period demand for Lakeland general customers** – the control period demand (CPD) for each general ICP greater than 2kVA is individually calculated in December using the Lakeland CPD methodology. The average CPD of all the ICP's in each price code is used as the forecast quantity for each price code.

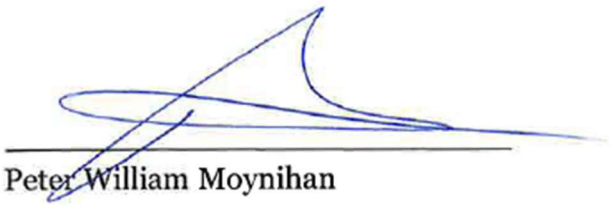
- **Volume energy quantities for residential and general** – in the Otago region the combined consumption for the residential and general customers including the low user consumption is averaged based on the last three years consumption. The low user forecast quantity is then deducted from the combined averaged consumption to establish the forecast quantities for the remaining residential and general customer groups.

- **Lakeland region residential energy quantities** - are forecast by taking the reforecast April 2023 to March 2024 consumption figures and multiplying these by the growth factor from the April 2022 to March 2023 and the April 2023 to March 2024 forecast figures then adjusting in line with the estimated number of ICPs in residential subdivisions to be completed during the year. We are expecting growth in the Lakeland region to remain constant.

- **Individual line charge customers** – Individual line charge customers have their line charges reviewed each year in line with the line pricing methodology. Actual day energy volumes recorded from December 2022 to November 2023, are used as the forecast quantity for the 2024 - 2025 forecast period.

Appendix C – Director's certificate

I, Peter William Moynihan, being a director of a company which is a party to the OtagoNet Joint Venture certify that, having made all reasonable enquiry, to the best of my knowledge and belief, the attached annual price-setting compliance statement of OtagoNet Joint Venture, and related information, prepared for the purposes of the *Electricity Distribution Services Default Price-Quality Path Determination 2020* has been prepared in accordance with all relevant requirements, and all forecasts used in the calculations for forecast revenue from prices and forecast allowable revenue are reasonable.



Peter William Moynihan

28 March 2024