

Marlborough Lines Limited

**THRESHOLD COMPLIANCE STATEMENT
FOR THE FIRST ASSESSMENT DATE, 6 SEPTEMBER 2003**

Pursuant to the Commerce Act (Electricity Lines Thresholds) Notice 2003

Date 22 October 2003

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1. Disclosure of Information Required (Schedule 7)

Marlborough Lines Limited does not comply with all requirements of the Commerce Act (Electricity Lines Thresholds) Notice 2003, at the first assessment date.

Clause 5 (1) (a) Notional Revenue from 8 August 2001 to the First Assessment Date (6 September 2003).

Test:	$\sum P_{i2003} Q_{i0} - C_{T2003} - C_{R2003}$	\leq	$\sum P_{i0} Q_{i0} - C_{T2002} - C_{R2002}$
	\$13161,777	\leq	\$12,592,867
Result:	Revenue at First Assessment date exceeds revenue at First Reference date by \$568,909. Threshold is breached.		

Supporting evidence is presented in Appendices A and B.

Clause 5 (1) (b) Notional Revenue from Publication Date (6 June 2003) to the First Assessment Date (6 September 2003).

Test:	$\sum P_{i2003} Q_{i0}$	\leq	$\sum P_{i0} Q_{i0}$
	\$16,231,631	\leq	\$16,231,631
Result:	Revenue at Second Reference date is equal to revenue at Publication date. Threshold is not breached.		

Supporting evidence is presented in Appendices C and D.

Notional Revenue:

In accordance with the Gazette Notice, the following sources of revenue have been included in the calculation of notional revenue:

- Revenue from line charges
- Revenue for Load Control Fees paid by Retailers

Excluded Services:

In accordance with the Gazette Notice the following sources of revenue have been excluded from the calculation of notional revenue:

Connection of New Installations

This service is fully contestable. There are at least three other organisations offering this service to electricity retailers on a district wide basis, and others offering the service in specific areas, eg. Marlborough Sounds. Based on ICP's connected during 2002/03, Marlborough Lines market share is approximately 93%, compared to a market share of 100% in 1999/2000.

Marlborough Lines does most of this type of work for the incumbent retailer, TrustPower, under the terms of a negotiated Retail Services Agreement. TrustPower have advised they use Marlborough Lines contractors primarily for this work in the Marlborough area *"because they have in the past provided a reasonable service at a competitive price"*.

Disconnection and Reconnection

Where consumers request disconnection and reconnection for safety reasons, eg. house painting in vicinity of service main entry point, this service is provided free of charge by the network, provided reasonable notice is given.

Disconnections and reconnections at the request of a Retailer because of non-payment of electricity accounts is carried out almost exclusively by Marlborough Lines, for both the incumbent retailer, TrustPower, and the other major Retailer, Meridian. The conditions

and prices for this service to TrustPower is part of the negotiated Retail Services Agreement with them. These two Retailers supply the vast majority of consumers in the Marlborough area.

The main reason for Marlborough Lines doing the majority of this type of work is that other Contractors operating in Marlborough seem uninterested in offering to perform this service, primarily we believe because of the abuse the Contractor regularly receives from effected consumers when disconnecting supply in such instances.

If the price charged for this service were required to be reduced, Marlborough Lines would cease to offer this service to Retailers, who would then have to find alternative contractors willing to carry out this work. Approximately 585 such disconnections were carried out in the 2002.03 financial year.

Inspection Services:

Inspection services are fully contestable and effective competition from at least three other organisations offering this service is available to consumers. Marlborough Lines' market share has fallen from close to 100% in 1999 to 94% in 2002/03.

This current market share estimate is based on actual inspections carried out on new installations connected to Marlborough Lines' system during July and October 2002 and February 2003, totalling 120 of the 480 new connections made in the 2002/03 year.

Meter and Control Relay Installation:

There are at least eight other organisations offering a service to electricity retailers for the installation of new and replacement of existing meters and ripple control relays.

It is estimated that Marlborough Lines' market share for this service is approximately 10%. However it is impossible to accurately establish this market share since retailers do not provide information on the quantum of any meter and relay replacement programmes in effect.

Other Miscellaneous Income

Miscellaneous revenue such as rent, interest on temporary investments, gain on sale of surplus assets, purchasing discounts from suppliers and sale of scrap are excluded as they are Non Conveyance revenue.

Pass Through Costs:

In accordance with the Gazette Notice, the following components of transmission charges have been included in pass through costs:

- Connection charges
- Interconnection charges
- Frequency charges
- Voltage charges
- New investment charges
- EVA adjustments
- Loss Rental Rebates
- Avoided transmission and Grid Operating charges

Local body rates applying to system fixed assets: lines, cables, equipment, substation land and substation buildings, have also been passed through in accordance with the Gazette Notice.

Disclaimer

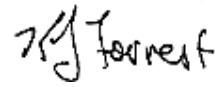
The information presented in this Threshold Compliance Statement has been prepared solely for the purpose of complying with the requirements of the Commerce Act (Electricity Lines Thresholds) Notice 2003. This statement has not been prepared for any other purpose and Marlborough Lines Limited expressly disclaims any liability to any other party who may rely on this statement for any other purpose.

2. Certification of Threshold Compliance Statement

We, David Scott Ferraby and Kenneth John Forrest, being directors of Marlborough Lines Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached threshold compliance statement of Marlborough Lines Limited, and related information, prepared for the purposes of the Commerce Act (Electricity Lines Thresholds) Notice 2003 complies with the requirements of that notice.



David Scott Ferraby



Kenneth John Forrest

22 October 2003

Appendix A

Marlborough Lines had increases to line charge prices on 1 April 2002 and 1 April 2003. Prices effective 1 April 2003 are those in effect on 6 September 2003, the first assessment date. These two price increases followed an overall 24% reduction in prices effective 1 April 2001.

To establish the first reference date therefore requires consideration of notional revenues over three financial years, ended 31 March 2002, 2003 and 2004, on a constant volume basis for volumes for the year to 31 March 2003.

The table below summarises the notional revenue in each of these years:

	Year to 31 March 2002	Year to 31 March 2003	Year to 31 March 2004
Line charge revenue	15,031,191	15,464,069	16,231,631
Less transmission charges	(2,799,311)	(2,888,772)	(2,954,694)
Less avoided transmission charges	(54,905)	(35,159)	(40,456)
Less transmission grid operating charges	(224,815)	(300,801)	(328,954)
Less avoided transmission grid operating charges	(7,737)	(7,477)	(12,750)
Plus transmission loss rental rebates	820,878	391,402	300,000
Less local authority rates on system assets	(22,974)	(30,396)	(33,000)
Net Notional Revenue	12,742,328	12,592,867	13,161,777

It is apparent from the above that the minimum net notional revenue occurred in the year ended 31 March 2003, based on the line prices effective 1 April 2002 to 31 March 2003.

It is also apparent from the above table that, whilst line charge revenue increased by \$433,000 between March 2002 and March 2003, transmission related charges increased by \$575,000 over that same period. A combination of these two factors together with a small change in Rates cost leads to net notional revenue being \$149,000 less in the year to March 2003 than the previous year.

Notional Revenue at First Reference Date

Minimum Revenue First Reference Date (8 August 2001 - 6 June 2003)	Transmission Charges 2002/03	Rates 2002/03	Minimum Notional Revenue First Reference Date (8 August 2001 - 6 June 2003)
$\Sigma P_{i0} Q_{i0}$	C_{T2002}	C_{R2002}	$\Sigma P_{i0} Q_{i0} - C_{T2002} - C_{R2002}$
\$15,464,069	\$2,840,806	\$30,396	\$12,592,867

Details of quantities and prices making up the minimum revenue above are provided on the following page.

	Quantity 2002.03	Price 01-Apr-02 to 31 March 03	Revenue First Reference Date
VARIABLE ENERGY BASED CHARGES			
Standard Domestic Uncontrolled	85,750,629	3.515	3,014,135
Low User Domestic Uncontrolled	748,012	6.503	48,643
Domestic Controlled Water & Space Heating	45,198,063	2.183	986,674
Domestic Controlled Water & Space Heating Night Only	9,000,968	0.925	83,259
Pre-Payment All Inclusive Energy	605,530	9.930	60,129
Domestic Pre-payment With Controlled Loads	374,665	2.982	11,173
Standard Non-Domestic Uncontrolled	30,287,087	5.268	1,595,524
Medium Non-Domestic Uncontrolled	16,313,097	2.141	349,263
Large Non-Domestic Uncontrolled	18,082,732	1.453	262,742
Non-Domestic Controlled Water & Space Heating	2,936,024	2.183	64,093
Non-Domestic Controlled Water & Space Heating Night Only	772,289	0.925	7,144
Controlled Small Non-Domestic 20 hour Non-Storage	420,359	2.914	12,249
Controlled Large Non-Domestic 20 hour Non-Storage	120,109	1.453	1,745
Irrigation Summer only	8,384,674	1.246	104,473
Dryers May & September	105,991	2.141	2,269
Dryers June to August	117,317	5.268	6,180
Irrigation Winter Consumption	692,484	10.192	70,578
Group 4 Non-Domestic LV Supply - Winter Day	17,855,172	0.158	28,211
Group 4 Non-Domestic LV Supply - Winter Night	6,760,042	0.158	10,681
Group 4 Non-Domestic LV Supply - Summer Day	25,646,357	0.158	40,521
Group 4 Non-Domestic LV Supply - Summer Night	9,192,582	0.158	14,524
Group 4 Non-Domestic HV Supply by Consumer - Winter Day	3,482,249	0.153	5,328
Group 4 Non-Domestic HV Supply by Consumer - Winter Night	1,261,480	0.153	1,930
Group 4 Non-Domestic HV Supply by Consumer - Summer Day	4,094,648	0.153	6,265
Group 4 Non-Domestic HV Supply by Consumer - Summer Night	1,341,555	0.153	2,053
Group 4 Non-Domestic HV Supply MLL Owned - Winter Day	2,692,454	0.153	4,119
Group 4 Non-Domestic HV Supply MLL Owned - Winter Night	1,146,842	0.153	1,755
Group 4 Non-Domestic HV Supply MLL Owned - Summer Day	5,467,633	0.153	8,365
Group 4 Non-Domestic HV Supply MLL Owned - Summer Night	2,458,866	0.153	3,762
Unmetered Supplies	253,973	5.268	13,379
Street Lighting Territorial Local Authority Winter Day	364,861	0.158	576
Street Lighting Territorial Local Authority Winter Night	477,020	0.158	754
Street Lighting Territorial Local Authority Summer Day	313,824	0.158	496
Street Lighting Territorial Local Authority Summer Night	579,167	0.158	915
Street Lighting Private	68,859	6.166	4,246
Total Energy	303,367,614		6,828,154
DEMAND CHARGES			
Group 4 Non-Domestic LV Supply - Winter Demand	18,482.34	70.753	1,307,681
Group 4 Non-Domestic LV Supply - Anytime Demand	22,227.97	44.616	991,723
Group 4 Non-Domestic HV Supply by Consumer - Winter Demand	3,017.87	68.453	206,582
Group 4 Non-Domestic HV Supply by Consumer - Anytime Demand	4,788.26	43.164	206,680
Group 4 Non-Domestic HV Supply MLL Owned - Winter Demand	1,922.80	68.453	131,621
Group 4 Non-Domestic HV Supply MLL Owned - Anytime Demand	2,891.70	43.164	124,817
Total Demand Charges			2,969,106
FIXED CHARGES			
Standard Domestic up to 20kVA	17,399	0.543	3,448,395
Low User Domestic up to 20kVA	235	0.150	12,866
Cashpower pre-payment Supplies	16	-	-
Domestic Above 20kVA	417	0.768	116,893
Combined Domestic & Non-Domestic Up to 15kVA	11	0.889	3,569
Combined Domestic & Non-Domestic Above 15kVA	44	0.978	15,707
Non-Domestic up to 15kVA	1,313	0.889	426,049
Non-Domestic 16 to 30kVA	10	0.978	3,570
Non-Domestic 31 to 46kVA	1,321	0.978	471,557
Non-Domestic 47 to 70kVA	239	3.657	319,018
Non-Domestic 71 to 105kVA	65	11.807	280,121
Non-Domestic 106 to 140kVA	40	15.743	229,848
Non-Domestic 1 phase to 140kVA	1	5.858	2,138
Irrigation Capacity Charge - Customer Numbers	117	-	-
Irrigation Capacity Charge - Connected kW	7,336	0.052	139,237
Irrigation Capacity Charge Minimum	141	1.200	61,758
L A Streetlight	1	189.645	69,220
Non-Domestic Above 140kVA	78	-	-
Unmetered Supplies up to 8kWh per day	-	-	-
Unmetered Supplies above 8kWh per day	-	-	-
Kaikoura Unmetered Supplies up to 8kWh per day	-	-	-
Kaikoura Unmetered Supplies above 8kWh per day	-	-	-
Kaikoura Domestic up to 20kVA	-	0.543	-
Kaikoura Domestic Above 20kVA	-	0.768	-
Kaikoura Non-Domestic up to 15kVA	-	0.889	-
Kaikoura Non-Domestic 31 to 46kVA	-	0.978	-
Kaikoura Non-Domestic 47 to 70kVA	-	5.858	-
Kaikoura Irrigation Minimum Charge	-	1.200	-
Kaikoura Irrigation Capacity Charge - Customer Numbers	-	-	-
Kaikoura Irrigation Capacity Charge - Connected kW	-	0.052	-
Load Control Fees - Fixed Fee	4	1,200.000	4,800
Load Control Fees - Variable Fee	18,385	1.200	22,062
Waihopai Generation Line Charge	1	40,000.00	40,000
Total Fixed Charges			5,666,810
Total Fixed, Variable & Demand	303,367,614		15,464,069
Less Transmission Costs			2,840,806
Less Local Authority Rates			30,396
NET NOTIONAL REVENUE			12,592,867

Appendix B

Notional Revenue at First Assessment Date

Revenue First Assessment Date (6 September)	Budgeted Transmission Charges 31/03/2004	Budgeted Rates 31/03/2004	Notional Revenue at First Assessment Date (6 September)
$\Sigma P_{i2003} Q_{i0}$	C_{T2003}	C_{R2003}	$\Sigma P_{i2003} Q_{i0} - C_{T2003} - C_{R2003}$
\$16,231,631	\$3,036,854	\$33,000	\$13,161,777

Details of quantities and prices are provided below.

Several structural changes were incorporated in the revised prices effective 1 April 2003. These were:

- **Group 4 Non-Domestic Maximum Demand Charges**

The structure applicable to the consumers supplied under this Group to 31 March 2003 based winter demand charges on the single highest half hourly maximum demand (kVA) established between 7am and 11pm from 1 June to 31 August, at an annual per kVA rate, billed monthly for each of the 12 months in the financial year.

Similarly the anytime demand charge was based on the single highest half hourly maximum demand established at anytime in that financial year, at an annual per kVA rate, billed monthly for each of the 12 months in the financial year.

Both winter and anytime maximum demand charges were “washed-up” monthly to reflect any increase in the maximum demand established during that month.

From 1 April 2003, the winter demand period was extended to May to September, with a monthly maximum demand charge per kVA applied to each of the individual monthly maximums over that period.

The anytime maximum demand charge was replaced with an assessed capacity provided per kVA charge. Any increases in capacity provided during the financial year would result in increased charges from that month onwards.

The above changes resulted in revenue from maximum demand based charges for this group of consumers reducing by \$415,000 per annum on a constant volume basis.

For comparative purposes, actual monthly maximum demands established during the year to 31 March 2003 have been applied to the previous and new structures. This has been achieved by applying each individual consumers actual 2002/03 maximum demands to the prices applicable in each period to 31 March 2003. Then, for the current years pricing structure, those same actual 2002/03 maximum demands have been applied to the current price structure and prices. Since the Winter Demand charges are now on a “per month demand” basis, the Quantities

for Winter Demand applied to the April 2003 prices have been changed to the sum of the 5 Winter months individual consumer demands.

Energy based charges for this group of consumers to 31 March 2003 were a single per kWh charge designed to pass through transmission related grid operating charges. From 1 April 2003 a time of use structure, winter day, winter night, summer day and summer night was introduced. Data for volumes by these times of use was available for quantities for 2002/03.

- **Unmetered Supplies**

Marlborough Lines provides line services to 53 unmetered ICPs. These are primarily Telecom PCM units and territorial local authority telemetry stations.

The structure of charges applicable to 31 March 2003 was a standard non-domestic fixed charge, plus an energy charge based on estimated daily energy consumption.

From 1 April 2003, this structure was changed to a fixed charge only, with two levels of fixed charge, for ICPs with estimated consumption of up to 8kWh per day, and for those estimated at above 8kWh per day.

- **Kaikoura Area ICPs**

The southern part of Marlborough Lines' network is located in the Kaikoura District Council territorial area. This section of network is sparsely populated, with 122 consumers supplied from 91.5 circuit km and 1,590 kVA transformer capacity.

The Kaikoura District Council commenced rating the company's network assets from 1 July 2002.

Up to 31 March 2003, Marlborough Lines' charges for all ICPs connected to its network were on a network-wide basis. From 1 April 2003, separate fixed charges for ICPs located in the Kaikoura District Council area were introduced, with higher daily fixed charges applicable to those ICPs reflecting the rates charge imposed by the territorial local authority.

For comparative purposes, consumer numbers as at 31 March 2003 in various capacity groups have been adjusted to reflect this change.

- **Combined Domestic/Non-Domestic Fixed Charge**

To 31 March 2003, Marlborough Lines had two fixed charge categories for ICPs used for both domestic and non-domestic purposes. These two fixed charge categories were removed from 1 April 2003, and the consumers previously supplied under those categories transferred to one of the standard domestic or non-domestic fixed charge categories.

For comparative purposes, consumer numbers as at 31 March 2003 have been adjusted to reflect this change, since no price is set for these categories from 1 April 2003.

Quantities and prices making up Notional Revenue at the First Assessment Date are:

	Quantity 2002.03	Price from 01-Apr-03	Revenue First Assessment Date
VARIABLE ENERGY BASED CHARGES			
Standard Domestic Uncontrolled	85,750,629	3.663	3,141,046
Low User Domestic Uncontrolled	748,012	6.826	51,059
Domestic Controlled Water & Space Heating	45,198,063	2.275	1,028,256
Domestic Controlled Water & Space Heating Night Only	9,000,968	0.964	86,769
Pre-Payment All Inclusive Energy	605,530	10.425	63,127
Domestic Pre-payment With Controlled Loads	374,665	3.108	11,645
Standard Non-Domestic Uncontrolled	30,287,087	4.450	1,347,775
Medium Non-Domestic Uncontrolled	16,313,097	3.115	508,153
Large Non-Domestic Uncontrolled	18,082,732	2.804	507,040
Non-Domestic Controlled Water & Space Heating	2,936,024	2.275	66,795
Non-Domestic Controlled Water & Space Heating Night Only	772,289	0.964	7,445
Controlled Small Non-Domestic 20 hour Non-Storage	420,359	3.115	13,094
Controlled Large Non-Domestic 20 hour Non-Storage	120,109	2.804	3,368
Irrigation Summer only	8,384,674	1.300	109,001
Dryers May & September	105,991	3.115	3,302
Dryers June to August	117,317	4.450	5,221
Irrigation Winter Consumption	692,484	11.066	76,630
Group 4 Non-Domestic LV Supply - Winter Day	17,855,172	1.200	214,262
Group 4 Non-Domestic LV Supply - Winter Night	6,760,042	0.158	10,681
Group 4 Non-Domestic LV Supply - Summer Day	25,646,357	0.840	215,429
Group 4 Non-Domestic LV Supply - Summer Night	9,192,582	0.158	14,524
Group 4 Non-Domestic HV Supply by Consumer - Winter Day	3,482,249	1.160	40,394
Group 4 Non-Domestic HV Supply by Consumer - Winter Night	1,261,480	0.153	1,930
Group 4 Non-Domestic HV Supply by Consumer - Summer Day	4,094,648	0.810	33,167
Group 4 Non-Domestic HV Supply by Consumer - Summer Night	1,341,555	0.153	2,053
Group 4 Non-Domestic HV Supply MLL Owned - Winter Day	2,692,454	1.160	31,232
Group 4 Non-Domestic HV Supply MLL Owned - Winter Night	1,146,842	0.153	1,755
Group 4 Non-Domestic HV Supply MLL Owned - Summer Day	5,467,633	0.810	44,288
Group 4 Non-Domestic HV Supply MLL Owned - Summer Night	2,458,866	0.153	3,762
Unmetered Supplies	253,973	-	-
Street Lighting Territorial Local Authority Winter Day	364,861	1.200	4,378
Street Lighting Territorial Local Authority Winter Night	477,020	0.158	754
Street Lighting Territorial Local Authority Summer Day	313,824	0.840	2,636
Street Lighting Territorial Local Authority Summer Night	579,167	0.158	915
Street Lighting Private	68,859	3.663	2,522
Total Energy	303,367,614		7,654,407
DEMAND CHARGES			
Group 4 Non-Domestic LV Supply - Winter Demand	86,683.56	14.575	1,263,413
Group 4 Non-Domestic LV Supply - Anytime Demand	24,922.00	31.944	796,108
Group 4 Non-Domestic HV Supply by Consumer - Winter Demand	12,926.74	13.363	172,740
Group 4 Non-Domestic HV Supply by Consumer - Anytime Demand	3,165.00	29.292	92,709
Group 4 Non-Domestic HV Supply MLL Owned - Winter Demand	9,882.80	14.067	139,021
Group 4 Non-Domestic HV Supply MLL Owned - Anytime Demand	2,900.00	30.840	89,436
Total Demand Charges			2,553,428
FIXED CHARGES			
Standard Domestic up to 20kVA	17,325	0.566	3,579,172
Low User Domestic up to 20kVA	235	0.150	12,866
Cashpower pre-payment Supplies	15	0.566	3,099
Domestic Above 20kVA	431	1.000	157,315
Combined Domestic & Non-Domestic Up to 15kVA	-	-	-
Combined Domestic & Non-Domestic Above 15kVA	-	-	-
Non-Domestic up to 15kVA	1,242	0.750	339,998
Non-Domestic 16 to 30kVA	10	1.000	3,650
Non-Domestic 31 to 46kVA	1,338	1.500	732,555
Non-Domestic 47 to 70kVA	238	4.123	358,165
Non-Domestic 71 to 105kVA	65	7.336	174,047
Non-Domestic 106 to 140kVA	40	9.781	142,803
Non-Domestic 1phase to 140kVA	1	7.336	2,678
Irrigation Capacity Charge - Customer Numbers	116	-	-
Irrigation Capacity Charge - Connected kW	7,281	0.055	146,166
Irrigation Capacity Charge Minimum	141	1.265	65,103
L A Streetlight	1	210.931	76,990
Non-Domestic Above 140kVA	78	3.288	93,609
Unmetered Supplies up to 8kWh per day	25	1.106	10,092
Unmetered Supplies above 8kWh per day	25	1.774	16,188
Kaikoura Unmetered Supplies up to 8kWh per day	2	1.358	991
Kaikoura Unmetered Supplies above 8kWh per day	1	2.026	739
Kaikoura Domestic up to 20kVA	82	0.720	21,550
Kaikoura Domestic Above 20kVA	3	1.218	1,334
Kaikoura Non-Domestic up to 15kVA	22	1.002	8,046
Kaikoura Non-Domestic 31 to 46kVA	10	1.778	6,490
Kaikoura Non-Domestic 47 to 70kVA	1	5.163	1,885
Kaikoura Irrigation Minimum Charge	-	1.610	-
Kaikoura Irrigation Capacity Charge - Customer Numbers	1	-	-
Kaikoura Irrigation Capacity Charge - Connected kW	55	0.070	1,405
Load Control Fees - Fixed Fee	4	1,200.000	4,800
Load Control Fees - Variable Fee	18,385	1.200	22,062
Waihopai Generation Line Charge	1	40,000.000	40,000
Total Fixed Charges			6,023,796
Total Fixed, Variable & Demand	303,367,614		16,231,631
Less Transmission Costs			3,036,854
Less Local Authority Rates			33,000
NET NOTIONAL REVENUE			13,161,777

Appendix C

Notional Revenue at Publication Date (6 June)
$\sum P_i Q_i$
\$16,231,631

Details of quantity and price making up this total are shown on the following page.

	Quantity 2002.03	Price from 01-Apr-03	Revenue Publication Date
VARIABLE ENERGY BASED CHARGES			
Standard Domestic Uncontrolled	85,750,629	3.663	3,141,046
Low User Domestic Uncontrolled	748,012	6.826	51,059
Domestic Controlled Water & Space Heating	45,198,063	2.275	1,028,256
Domestic Controlled Water & Space Heating Night Only	9,000,968	0.964	86,769
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Group 4 Non-Domestic HV Supply MLL Owned - Summer Day	5,467,633	0.810	44,288
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Street Lighting Territorial Local Authority Summer Night	579,167	0.158	915
Street Lighting Private	68,859	3.663	2,522
Total Energy	303,367,614		7,654,407
DEMAND CHARGES			
Group 4 Non-Domestic LV Supply - Winter Demand	86,683.56	14.575	1,263,413
Group 4 Non-Domestic LV Supply - Anytime Demand	24,922.00	31.944	796,108
Group 4 Non-Domestic HV Supply by Consumer - Winter Demand	12,926.74	13.363	172,740
Group 4 Non-Domestic HV Supply by Consumer - Anytime Demand	3,165.00	29.292	92,709
Group 4 Non-Domestic HV Supply MLL Owned - Winter Demand	9,882.80	14.067	139,021
Group 4 Non-Domestic HV Supply MLL Owned - Anytime Demand	2,900.00	30.840	89,436
Total Demand Charges			2,553,428
FIXED CHARGES			
Standard Domestic up to 20kVA	17,325	0.566	3,579,172
Low User Domestic up to 20kVA	235	0.150	12,866
Cashpower pre-payment Supplies	15	0.566	3,099
Domestic Above 20kVA	431	1.000	157,315
Combined Domestic & Non-Domestic Up to 15kVA	-	-	-
Combined Domestic & Non-Domestic Above 15kVA	-	-	-
Non-Domestic up to 15kVA	1,242	0.750	339,998
Non-Domestic 16 to 30kVA	10	1.000	3,650
Non-Domestic 31 to 46kVA	1,338	1.500	732,555
Non-Domestic 47 to 70kVA	238	4.123	358,165
Non-Domestic 71 to 105kVA	65	7.336	174,047
Non-Domestic 106 to 140kVA	40	9.781	142,803
Non-Domestic 1 phase to 140kVA	1	7.336	2,678
Irrigation Capacity Charge - Customer Numbers	116	-	-
Irrigation Capacity Charge - Connected kW	7,281	0.055	146,166
Irrigation Capacity Charge Minimum	141	1.265	65,103
L A Streetlight	1	210.931	76,990
Non-Domestic Above 140kVA	78	3.288	93,609
Unmetered Supplies up to 8kWh per day	25	1.106	10,092
Unmetered Supplies above 8kWh per day	25	1.774	16,188
Kaikoura Unmetered Supplies up to 8kWh per day	2	1.358	991
Kaikoura Unmetered Supplies above 8kWh per day	1	2.026	739
Kaikoura Domestic up to 20kVA	82	0.720	21,550
Kaikoura Domestic Above 20kVA	3	1.218	1,334
Kaikoura Non-Domestic up to 15kVA	22	1.002	8,046
Kaikoura Non-Domestic 31 to 46kVA	10	1.778	6,490
Kaikoura Non-Domestic 47 to 70kVA	1	5.163	1,885
Kaikoura Irrigation Minimum Charge	-	1.610	-
Kaikoura Irrigation Capacity Charge - Customer Numbers	1	-	-
Kaikoura Irrigation Capacity Charge - Connected kW	55	0.070	1,405
Load Control Fees - Fixed Fee	4	1,200.000	4,800
Load Control Fees - Variable Fee	18,385	1.200	22,062
Waihopai Generation Line Charge	1	40,000.000	40,000
Total Fixed Charges			6,023,796
Total Fixed, Variable & Demand	303,367,614		16,231,631
Less Transmission Costs			3,036,854
Less Local Authority Rates			33,000
NET NOTIONAL REVENUE			13,161,777

Appendix D

Maximum Notional Revenue Second Reference Date (5 June to 6 September)
$\Sigma P_i 2003 Q_i 0$
\$16,231,631

Details of quantity and price making up this total are shown on the following page.

	Quantity 2002.03	Price from 01-Apr-03	Revenue Second Reference Date
VARIABLE ENERGY BASED CHARGES			
Standard Domestic Uncontrolled	85,750,629	3.663	3,141,046
Low User Domestic Uncontrolled	748,012	6.826	51,059
Domestic Controlled Water & Space Heating	45,198,063	2.275	1,028,256
Domestic Controlled Water & Space Heating Night Only	9,000,968	0.964	86,769
Pre-Payment All Inclusive Energy	605,530	10.425	63,127
Domestic Pre-payment With Controlled Loads	374,665	3.108	11,645
Standard Non-Domestic Uncontrolled	30,287,087	4.450	1,347,775
Medium Non-Domestic Uncontrolled	16,313,097	3.115	508,153
Large Non-Domestic Uncontrolled	18,082,732	2.804	507,040
Non-Domestic Controlled Water & Space Heating	2,936,024	2.275	66,795
Non-Domestic Controlled Water & Space Heating Night Only	772,289	0.964	7,445
Controlled Small Non-Domestic 20 hour Non-Storage	420,359	3.115	13,094
Controlled Large Non-Domestic 20 hour Non-Storage	120,109	2.804	3,368
Irrigation Summer only	8,384,674	1.300	109,001
Dryers May & September	105,991	3.115	3,302
Dryers June to August	117,317	4.450	5,221
Irrigation Winter Consumption	692,484	11.066	76,630
Group 4 Non-Domestic LV Supply - Winter Day	17,855,172	1.200	214,262
Group 4 Non-Domestic LV Supply - Winter Night	6,760,042	0.158	10,681
Group 4 Non-Domestic LV Supply - Summer Day	25,646,357	0.840	215,429
Group 4 Non-Domestic LV Supply - Summer Night	9,192,582	0.158	14,524
Group 4 Non-Domestic HV Supply by Consumer - Winter Day	3,482,249	1.160	40,394
Group 4 Non-Domestic HV Supply by Consumer - Winter Night	1,261,480	0.153	1,930
Group 4 Non-Domestic HV Supply by Consumer - Summer Day	4,094,648	0.810	33,167
Group 4 Non-Domestic HV Supply by Consumer - Summer Night	1,341,555	0.153	2,053
Group 4 Non-Domestic HV Supply MLL Owned - Winter Day	2,692,454	1.160	31,232
Group 4 Non-Domestic HV Supply MLL Owned - Winter Night	1,146,842	0.153	1,755
Group 4 Non-Domestic HV Supply MLL Owned - Summer Day	5,467,633	0.810	44,288
Group 4 Non-Domestic HV Supply MLL Owned - Summer Night	2,458,866	0.153	3,762
Unmetered Supplies	253,973	-	-
Street Lighting Territorial Local Authority Winter Day	364,861	1.200	4,378
Street Lighting Territorial Local Authority Winter Night	477,020	0.158	754
Street Lighting Territorial Local Authority Summer Day	313,824	0.840	2,636
Street Lighting Territorial Local Authority Summer Night	579,167	0.158	915
Street Lighting Private	68,859	3.663	2,522
Total Energy	303,367,614		7,654,407
DEMAND CHARGES			
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Kaikoura Non-Domestic 31 to 46kVA	10	1.778	6,490
Kaikoura Non-Domestic 47 to 70kVA	1	5.163	1,885
Kaikoura Irrigation Minimum Charge	-	1.610	-
Kaikoura Irrigation Capacity Charge - Customer Numbers	1	-	-
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