



Wellington Electricity Lines Limited

2014/15 Disclosure of Prices

Pursuant to Electricity Distribution Information Disclosure Determination 2012

1 March 2014

1 Disclosure Requirements

This document has been prepared to comply with the following requirements in the Electricity Distribution Information Disclosure Determination 2012:

Disclosure of prices

2.4.18 *Every EDB must at all times publicly disclose-*

- (1) *Each current price expressed in a manner that enables consumers to determine-*
 - (a) *the consumer group or consumer groups applicable to them;*
 - (b) *the total price for electricity lines services applicable to them;*
 - (c) *the prices represented by each price component applicable to them;*
 - (d) *the amount of each current price that is attributable to transmission charges;*
- (2) *The number (or estimated number) of consumers which must pay each price;*
- (3) *The date at which each price was or will be first introduced;*
- (4) *The price that was payable immediately before each current price (if any) expressed in the manner referred to in subclause (1) above.*

2.4.19 *Every EDB must, at least 20 working days before changing or withdrawing a price or introducing a new price that is payable by 5 or more consumers-*

- (1) *Publicly disclose-*
 - (a) *the information specified in clause 2.4.18 above in respect of that price;*
 - (b) *an explanation of the reasons for the new price or the changed or withdrawn price;*
- (2) *In addition, either-*
 - (a) *give written notice to each consumer by whom that price is, or in the case of a withdrawn price would have been, payable, including the information specified in clause 2.4.18 above in respect of that price; or*
 - (b) *notify consumers in the news section of either-*
 - (i) *2 separate editions of each newspaper; or*
 - (ii) *news media accessible using the internet that is widely read by consumers connected to EDB's network;*
 - (c) *notification under subclause (2)(b) above must provide details of the price, including-*
 - (i) *the changed price alongside the immediately preceding price applicable; and*
 - (ii) *contact details where further details of the new or changed price can be found including the URL of the EDB's publicly accessible website.*

2.4.20 *Every EDB must, in respect of-*

- (1) *All new prices payable; or*
- (2) *In the case of withdrawn prices, the prices which would have been payable; by 4 or fewer consumers, at least 20 working days before introducing a new price, give written notice to each consumer by whom that price is payable, the information specified in clause 2.4.18 above in respect of that price.*

2 2014/15 Prices

In accordance with clause 2.4.18 Wellington Electricity Lines Limited's (WELL) Electricity Line Charges Schedule on pages 6 to 7 of this document set out current prices that apply from 1 April 2014.

It should be noted that WELL's Electricity Network Line Charges exclude the following:

- The provision of metering equipment or load management equipment which is located at consumers premises;
- The cost of consumer fittings; and
- Goods and Services Tax (GST).

WELL groups consumers by connection and consumer type and WELL's Electricity Line Charges Schedule is structured by consumer group as follows:

- Unmetered;
- Residential;
- Low Voltage Connection;
- Transformer Connection;
- Industrial; and
- Non Standard Individual Contracts.

The following describes each consumer group:

Unmetered

The Unmetered consumer group includes consumers or installations which do not have any metering because the cost of metering is prohibitive relative to their consumption (e.g. streetlights, telephone boxes).

Residential

The Residential consumer group adheres to the definition of "Domestic consumer" in the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Regulations 2004, where the primary use of the point of connection by a consumer is a private dwelling not normally used for any business activity. This consumer group includes both low and standard users and almost exclusively uses the Low Voltage Network.

Low Voltage connection

The Low Voltage consumer group has a connection of up to 1500kVA capacity, on a non-private dwelling used for business activity, and receive supply from WELL's Low Voltage Network.

Transformer connection

The Transformer connection consumer group has connection up to and including 1500kVA capacity, on a non-private dwelling used for business activity, and receives a supply from a transformer owned by WELL but dedicated to supply a single end consumer.

Industrial

The Industrial consumer group has a High Voltage connection greater than 1500kVA capacity, on a non-private dwelling used for business activity. These connections are divided into three service areas, CBD/Industrial, Urban and Rural. The service areas are outlined in Figure 1.

Non Standard Individual Contracts

The Non Standard Individual Contracts consumer group is made up of consumers who may have unusual connection characteristics. A confidential contractual agreement exists between WELL and the Non Standard Individual consumer which discloses how Electricity Network Line Charges are applied.

3 Change in Prices from 2013/14 Disclosure

In accordance with 2.4.19(1)(b) all 2014/15 prices, except for Non Standard Individual Contracts, have been adjusted from 2013/14 prices for increases in:

- Transpower Transmission Charges¹;
- Other Pass Through and Recoverable Costs²;
- The Consumer Price Index (CPI)³; and
- Regulated Default Price-quality Path Price Adjustment⁴.

Transpower Transmission charges:

This is the fee charged by the national electricity grid operator, Transpower, to transport energy from generators to the boundary of the Wellington network. Wellington Electricity passes this fee on to its customers at cost.

Other Pass through and Recoverable costs:

This includes Local Council rates, Commerce Commission levies, Electricity Authority levies, Electricity and Gas Complaints levies and Avoided Cost of Transmission payments. Wellington Electricity passes on these charges to customers at cost.

Consumer Price Index (CPI) adjustment:

This adjusts our pricing in line with inflation.

Regulated Default Price-quality Path Price Adjustment:

In 2012 the Commerce Commission reset the default price-quality path applying for the period from 2010 to 2015. The Commission's 2012 determination allows Wellington Electricity (and other distributors) to recover a short fall in revenue in the 2012/13 year which is due to the delay in finalising the decision to reset the default price-quality path.

¹ As defined in clause 1.4.3 of the Electricity Distribution Information Disclosure Determination 2012

² As defined in clause 1.4.3 of the Electricity Distribution Information Disclosure Determination 2012

³ As defined in clause 1.1.4 of the Electricity Distribution Services Input Methodologies Determination 2012

⁴ As defined in Schedule 1E of the Electricity Distribution Services Default Price-Quality Path Determination 2012

Table 1 indicates the proportional impact on lines charges for 2014/15.

Change in Lines Charge Price Component	
Methodology Inputs	%
Transpower Transmission Charges	4.68%
Other Pass Through and Recoverable Costs	-0.04%
Consumer Price Index (CPI) Adjustment	0.60%
Regulated Default Price-quality Path Price Adjustment	4.75%
Total	10.00%
Impact on Average Customers Electricity Bill	≈4.00%

Table 1 – Change in Prices

Wellington Electricity’s lines charges are a component of the total electricity bill paid by customers to their energy retailers and represent around 34% of the overall bill. The change in lines charges for 2014/15 is expected to result in an increase in the average customers electricity bill of around 4%.

Wellington Electricity split domestic tariffs into standard and low fixed user tariff categories in 2013. The low fixed user was created in 2004 where legislation required a low fixed lines charge for consumers using low volumes of electricity (less than 8000 kWh per year).

The standard user tariffs were established last year to cater for consumers who had standard rather than low energy use. Residential customers that are on low user residential retailer tariffs will be allocated to low user residential distribution tariffs. Wellington Electricity has altered the fixed and variable pricing components for standard users in 2014. The fixed daily charge for standard users has increased from 15 cents per day to 90 cents per day. This reflects that higher volumes use more capacity of our assets. However, at the same time we have reduced the standard user variable charge (\$/Kwh).

As noted above we do have other pass through cost increases occurring this year that are being included in the tariff price changes. Energy Retailers will also package up our tariffs into their own tariffs charged to consumers.

For Non Standard Individual Contracts, WELL increased the Distribution Charge price component from 2013/14 prices by CPI. Total line charges are the sum of Wellington Electricity’s Distribution and Transpower’s Transmission charges. Transmission Charges are applied in accordance with WELL’s *Transmission pass through methodology* document which is available on WELL’s website at: <http://www.welectricity.co.nz/disclosures> - pricing information.

4 Public Disclosure of 2014/15 Prices

In accordance with clause 2.4.19(2)(b) a summary of the 2014/15 tariffs were advertised in the Dominion Post hardcopy on 1 March 2014 and the Dominion Post online edition on 1 March 2014.

In accordance with clause 2.4.20 WELL notified consumers on Non Standard Individual Contracts of the price change in writing on 27 February 2014.

WELLINGTON ELECTRICITY LINES LIMITED

2014/15 DISCLOSURE OF PRICES

WELL's Electricity Line Charges Schedule

1 April 2014 to 31 March 2015

Code	Description	Units	Estimated Number of Consumers as at 31 January 2014	2014/15 Disclosure Year			2013/14 Disclosure Year		
				Distribution Line Charge	Transmission Line Charge	Total Network Line Charge	Distribution Line Charge	Transmission Line Charge	Total Network Line Charge
Unmetered									
G001-FIXD	Non street lighting, <1kVA, fixed charge	\$/day/fitting	345	0.0259	0.0152	0.0411	0.0238	0.0133	0.0371
G001-24UC	Non street lighting, <1kVA, variable charge	\$/kWh		0.1005	0.0587	0.1592	0.0920	0.0515	0.1435
G002-FIXD	Street lighting, <1kVA, fixed charge	\$/day/fitting	112	0.0259	0.0152	0.0411	0.0238	0.0133	0.0371
G002-24UC	Street lighting, <1kVA, variable charge	\$/kWh		0.1005	0.0587	0.1592	0.0920	0.0515	0.1435
Residential									
G100-FIXD	Single meter without control (low user), fixed charge	\$/day	20,249	0.0947	0.0553	0.1500	0.0961	0.0539	0.1500
G100-24UC	Single meter without control (low user), uncontrolled charge	\$/kWh		0.0767	0.0448	0.1215	0.0668	0.0375	0.1043
G100-NITE	Single meter without control (low user), night charge	\$/kWh		0.0130	0.0076	0.0206	0.0113	0.0064	0.0177
G101-FIXD	Dual meter with control (low user), fixed charge	\$/day	6,152	0.0947	0.0553	0.1500	0.0961	0.0539	0.1500
G101-24UC	Dual meter with control (low user), uncontrolled charge	\$/kWh		0.0767	0.0448	0.1215	0.0668	0.0375	0.1043
G101-CTRL	Dual meter with control (low user), controlled charge	\$/kWh		0.0359	0.0210	0.0569	0.0313	0.0176	0.0489
G101-NITE	Dual meter with control (low user), night charge	\$/kWh		0.0130	0.0076	0.0206	0.0113	0.0064	0.0177
G102-FIXD	Single meter with control (low user), fixed charge	\$/day	75,010	0.0947	0.0553	0.1500	0.0961	0.0539	0.1500
G102-AICO	Single meter with control (low user), all inclusive charge	\$/kWh		0.0602	0.0352	0.0954	0.0525	0.0294	0.0819
G102-NITE	Single meter with control (low user), night charge	\$/kWh		0.0130	0.0076	0.0206	0.0113	0.0064	0.0177
G103-FIXD	3 phase residential (low user), fixed charge	\$/day	290	0.0947	0.0553	0.1500	0.0961	0.0539	0.1500
G103-24UC	3 phase residential (low user), variable charge	\$/kWh		0.0774	0.0453	0.1227	0.0675	0.0379	0.1054
G104-FIXD	Single meter without control (standard user), fixed charge	\$/day	7,382	0.5680	0.3320	0.9000	0.0961	0.0539	0.1500
G104-24UC	Single meter without control (standard user), uncontrolled charge	\$/kWh		0.0552	0.0323	0.0875	0.0668	0.0375	0.1043
G104-NITE	Single meter without control (standard user), night charge	\$/kWh		0.0124	0.0072	0.0196	0.0113	0.0064	0.0177
G105-FIXD	Dual meter with control (standard user), fixed charge	\$/day		3,621	0.5680	0.3320	0.9000	0.0961	0.0539
G105-24UC	Dual meter with control (standard user), uncontrolled charge	\$/kWh	0.0552		0.0323	0.0875	0.0668	0.0375	0.1043
G105-CTRL	Dual meter with control (standard user), controlled charge	\$/kWh	0.0187		0.0109	0.0296	0.0313	0.0176	0.0489
G105-NITE	Dual meter with control (standard user), night charge	\$/kWh	0.0124	0.0072	0.0196	0.0113	0.0064	0.0177	
G106-FIXD	Single meter with control (standard user), fixed charge	\$/day	34,130	0.5680	0.3320	0.9000	0.0961	0.0539	0.1500
G106-AICO	Single meter with control (standard user), all inclusive charge	\$/kWh		0.0400	0.0233	0.0633	0.0525	0.0294	0.0819
G106-NITE	Single meter with control (standard user), night charge	\$/kWh		0.0124	0.0072	0.0196	0.0113	0.0064	0.0177
G107-FIXD	3 phase residential (standard user), fixed charge	\$/day	390	0.5680	0.3320	0.9000	0.0961	0.0539	0.1500
G107-24UC	3 phase residential (standard user), variable charge	\$/kWh		0.0572	0.0334	0.0906	0.0675	0.0379	0.1054
G108-FIXD	Dual meter with control (low user), fixed charge (Electric Vehicle)	\$/day	-	0.0947	0.0553	0.1500	0.0961	0.0539	0.1500
G108-24UC	Dual meter with control (low user), uncontrolled charge (Electric Vehicle)	\$/kWh		0.0767	0.0448	0.1215	0.0668	0.0375	0.1043
G108-CTRL	Dual meter with control (low user), controlled charge (Electric Vehicle)	\$/kWh		0.0359	0.0210	0.0569	0.0313	0.0176	0.0489
G108-NITE	Dual meter with control (low user), night charge (Electric Vehicle)	\$/kWh		0.0124	0.0072	0.0196	0.0113	0.0064	0.0177
G109-FIXD	Dual meter with control (standard user), fixed charge (Electric Vehicle)	\$/day	-	0.5680	0.3320	0.9000	0.0961	0.0539	0.1500
G109-24UC	Dual meter with control (standard user), uncontrolled charge (Electric Vehicle)	\$/kWh		0.0552	0.0323	0.0875	0.0668	0.0375	0.1043
G109-CTRL	Dual meter with control (standard user), controlled charge (Electric Vehicle)	\$/kWh		0.0187	0.0109	0.0296	0.0313	0.0176	0.0489
G109-NITE	Dual meter with control (standard user), night charge (Electric Vehicle)	\$/kWh	0.0124	0.0072	0.0196	0.0113	0.0064	0.0177	

WELLINGTON ELECTRICITY LINES LIMITED

2014/15 DISCLOSURE OF PRICES

WELL's Electricity Line Charges Schedule cont..

Code	Description	Units	Estimated Number of Consumers as at 31 January 2014	2014/15 Disclosure Year			2013/14 Disclosure Year		
				Distribution Line Charge	Transmission Line Charge	Total Network Line Charge	Distribution Line Charge	Transmission Line Charge	Total Network Line Charge
Low voltage connection									
GV02-FIXD	<=15kVA, fixed charge	\$/day	4,940	0.3690	0.2157	0.5847	0.3378	0.1894	0.5272
GV02-24UC	<=15kVA, variable charge	\$/kWh		0.0424	0.0247	0.0671	0.0388	0.0217	0.0605
GV07-FIXD	>15kVA and <=69kVA, fixed charge	\$/day	10,500	0.9128	0.5335	1.4463	0.8356	0.4684	1.3040
GV07-24UC	>15kVA and <=69kVA, variable charge	\$/kWh		0.0295	0.0172	0.0467	0.0270	0.0151	0.0421
GV14-FIXD	>69kVA and <=138kVA, fixed charge	\$/day	392	5.1724	3.0227	8.1951	4.7347	2.6541	7.3888
GV14-24UC	>69kVA and <=138kVA, variable charge	\$/kWh		0.0348	0.0203	0.0551	0.0318	0.0179	0.0497
GV30-FIXD	>138kVA and <=300kVA, fixed charge	\$/day	283	7.3680	4.3059	11.6739	6.7446	3.7807	10.5253
GV30-24UC	>138kVA and <=300kVA, variable charge	\$/kWh		0.0144	0.0084	0.0228	0.0132	0.0074	0.0206
GV99-FIXD	>300kVA, TOU, fixed charge	\$/day	281	18.5790	10.8577	29.4367	17.0070	9.5334	26.5404
GV99-24UC	>300kVA, TOU, variable charge	\$/kWh		0.0064	0.0038	0.0102	0.0059	0.0033	0.0092
GV99-DAMD	>300kVA, TOU, demand charge	\$/kVA/month		5.7202	3.3429	9.0631	5.2362	2.9352	8.1714
Transformer connection									
GX02-FIXD	<=15kVA, fixed charge	\$/day	-	0.3356	0.1962	0.5318	0.3073	0.1722	0.4795
GX02-24UC	<=15kVA, variable charge	\$/kWh		0.0386	0.0225	0.0611	0.0353	0.0198	0.0511
GX07-FIXD	>15kVA and <=69kVA, fixed charge	\$/day	8	0.8299	0.4850	1.3149	0.7597	0.4258	1.1855
GX07-24UC	>15kVA and <=69kVA, variable charge	\$/kWh		0.0268	0.0157	0.0425	0.0245	0.0138	0.0383
GX14-FIXD	>69kVA and <=138kVA, fixed charge	\$/day	13	4.7021	2.7479	7.4500	4.3042	2.4128	6.7170
GX14-24UC	>69kVA and <=138kVA, variable charge	\$/kWh		0.0317	0.0185	0.0502	0.0290	0.0163	0.0453
GX30-FIXD	>138kVA and <=300kVA, fixed charge	\$/day	84	6.6982	3.9144	10.6126	6.1314	3.4370	9.5684
GX30-24UC	>138kVA and <=300kVA, variable charge	\$/kWh		0.0131	0.0076	0.0207	0.0120	0.0067	0.0187
GX99-FIXD	>300kVA, TOU, fixed charge	\$/day	239	14.4521	8.4459	22.8980	13.2293	7.4157	20.6450
GX99-24UC	>300kVA, TOU, variable charge	\$/kWh		0.0051	0.0030	0.0081	0.0047	0.0026	0.0073
GX99-CAPY	>300kVA, TOU, capacity charge	\$/kVA/day		0.0121	0.0071	0.0192	0.0111	0.0062	0.0173
GX99-DAMD	>300kVA, TOU, demand charge	\$/kVA/month		4.6886	2.7400	7.4286	4.2919	2.4058	6.6977
Industrial									
GC60-FIXD	>1500kVA connection, in CBD/Industrial service area, fixed charge	\$/day	18	0.0321	0.0188	0.0509	0.0294	0.0165	0.0459
GC60-24UC	>1500kVA connection, in CBD/Industrial service area, variable charge	\$/kWh		0.0010	0.0006	0.0016	0.0009	0.0005	0.0014
GC60-CAPY	>1500kVA connection, in CBD/Industrial service area, capacity charge	\$/kVA/day		0.0208	0.0121	0.0329	0.0190	0.0107	0.0297
GC60-DOPC	>1500kVA connection, in CBD/Industrial service area, on-peak demand charge	\$/kW/month		8.2962	4.8484	13.1446	7.5943	4.2570	11.8513
GC60-PWRF	>1500kVA connection, in CBD/Industrial service area, power factor charge	\$/kVAr/month		6.1374	3.5867	9.7241	5.6181	3.1492	8.7673
GU60-FIXD	>1500kVA connection, in urban service area, fixed charge	\$/day	17	0.0321	0.0188	0.0509	0.0294	0.0165	0.0459
GU60-24UC	>1500kVA connection, in urban service area, variable charge	\$/kWh		0.0010	0.0006	0.0016	0.0009	0.0005	0.0014
GU60-CAPY	>1500kVA connection, in urban service area, capacity charge	\$/kVA/day		0.0208	0.0121	0.0329	0.0190	0.0107	0.0297
GU60-DOPC	>1500kVA connection, in urban service area, on-peak demand charge	\$/kW/month		8.6383	5.0483	13.6866	7.9074	4.4325	12.3399
GU60-PWRF	>1500kVA connection, in urban service area, power factor charge	\$/kVAr/month		6.1374	3.5867	9.7241	5.6181	3.1492	8.7673
GR60-FIXD	>1500kVA connection, in rural service area, fixed charge	\$/day	2	0.0321	0.0188	0.0509	0.0294	0.0165	0.0459
GR60-24UC	>1500kVA connection, in rural service area, variable charge	\$/kWh		0.0010	0.0006	0.0016	0.0009	0.0005	0.0014
GR60-CAPY	>1500kVA connection, in rural service area, capacity charge	\$/kVA/day		0.0208	0.0121	0.0329	0.0190	0.0107	0.0297
GR60-DOPC	>1500kVA connection, in rural service area, on-peak demand charge	\$/kW/month		10.4099	6.0836	16.4935	9.5291	5.3416	14.8707
GR60-PWRF	>1500kVA connection, in rural service area, power factor charge	\$/kVAr/month		6.1374	3.5867	9.7241	5.6181	3.1492	8.7673

Standard Service Levels

Wellington region - Commercial and Industrial customers

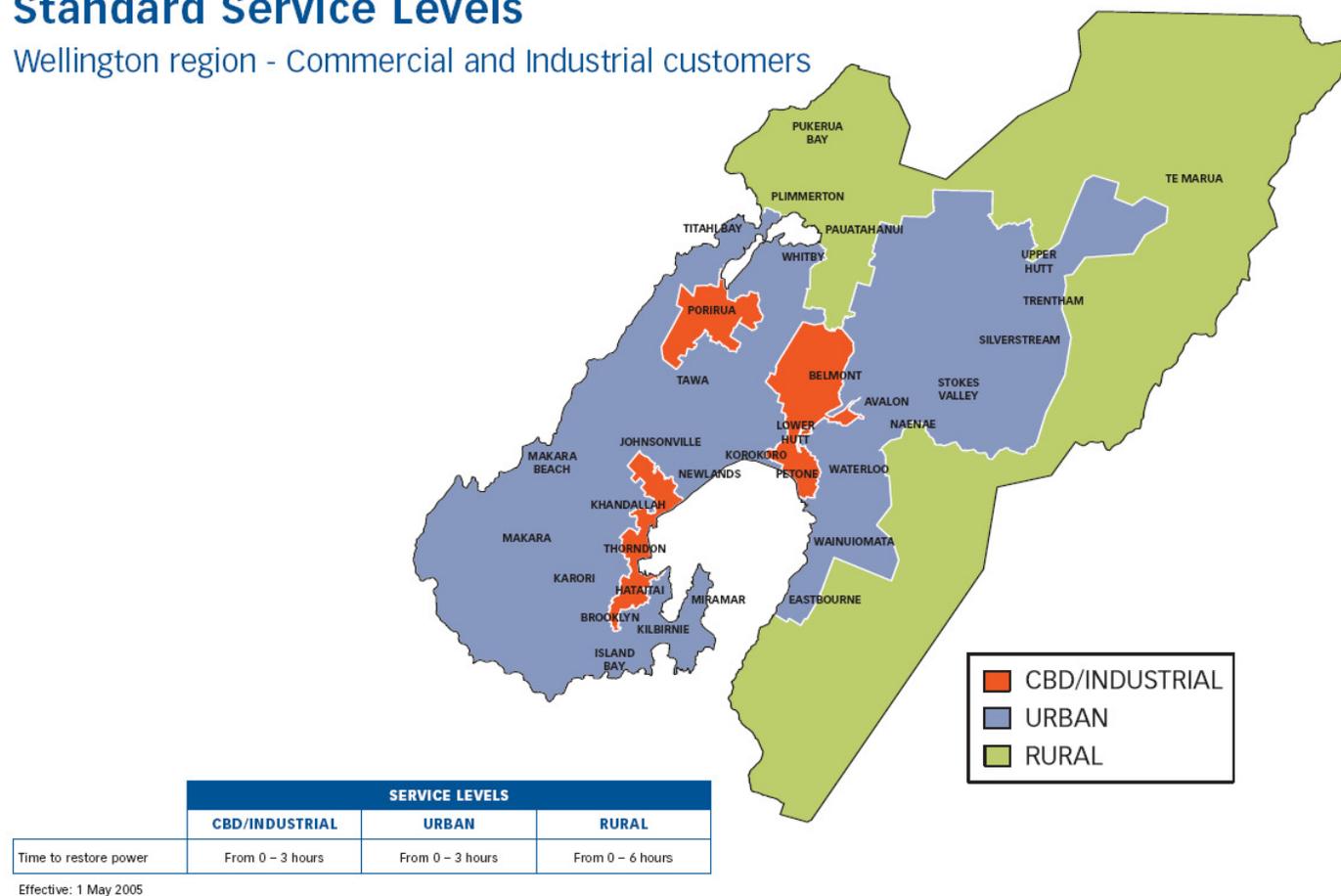


Figure 1 – Industrial Service Area's