Wellington Electricity Lines Limited

2015/16 Disclosure of Prices

Pursuant to Electricity Distribution Information Disclosure Determination 2012

28 February 2015

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(b) an explanation of the reasons for the new price or the changed or withdrawn price;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(a) give written notice to each consumer by whom that price is, or in the case of a withdrawn price would have been, payable, including the information specified in clause 2.4.18 above in respect of that price; or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(2) In the case of withdrawn prices, the prices which would have been payable;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 2015/16 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 2015.

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 2014/15 Disclosure

In accordance with 2.4.19(1)(b) all 2015/16 prices, except for Non Standard Individual Contracts, have been adjusted from 2014/15 prices for changes in:

- Regulated Default Price-Quality Path Price Adjustment determined by the Commerce Commission[1];
- Transpower Transmission Charges[2];
- Other Pass Through and Recoverable Costs[3];
- The Consumer Price Index (CPI)[4]; and
- Fixed and variable tariffs for standard users.

Regulated Default Price-Quality Path Price Adjustment:

As a regulated electricity distributor WELL is governed by the Commerce Act 1986. This means that WELL is subject to a "default price-quality path" set by the Commerce Commission. In 2014 the Commerce Commission reset the default price-quality path applying for the five year period from 1 April 2015 to 31 March 2020. The 2015/16 year is therefore the first year of the new price-quality path and hence a 'starting price adjustment' applies. This starting price adjustment re-sets WELL's prices to a level that is intended to enable WELL to recover its allowable notional revenue, as determined by the Commerce Commission.

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.

Fixed and variable tariffs for standard users:

WELL provides tariffs that reflect consumer demand for energy and comply with the Electricity (Low Fixed Charge Tariff Option for Domestic Consumers) Regulation 2004. Low user tariffs are applicable for consumers who use less than 8,000 kWh per annum and

[1] As determined in section 8 of the Electricity Distribution Services Default Price-Quality Path Determination 2015

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

[3] As defined in clause 1.4.3 of the Electricity Distribution Information Disclosure Determination 2012

[4] As defined in clause 1.1.4 of the Electricity Distribution Services Input Methodologies Determination 2012

standard user tariffs apply to consumers who use more than 8,000 kWh per annum. Standard users have a higher fixed daily charge to reflect the increased capacity used by these consumers. As at 1 April 2015, the fixed daily charge for standard users has increased from 90 cents per day to one dollar per day. Whilst standard users will have a higher fixed daily charge, they will also have a larger than average reduction in their variable charge ($/kWh). WELL has reduced the standard user variable charge ($/kWh) by an average -22% as a result of the increased fixed daily charge.

Table 1 indicates the overall proportional impact on lines charges for 2015/16.

Change in Average Lines Charge Price Component	
Methodology Inputs	**%**
Regulated Starting Price Adjustment	**-8.57%**[5]
Transpower Transmission Charges	**-2.26%**[6]
Other Pass Through and Recoverable Costs	**0.09%**
Consumer Price Index (CPI) Adjustment	**0.88%**[7]
Total Change	**-9.86%**

Table 1 – Change in Prices

The change in lines charges for 2015/16 is expected to result in a decrease in the average customers annual lines charges of 9.86%.

The above table highlights the average change in the lines charge component of a consumer's electricity bill. Our lines charges represent around 30% - 40% of the total electricity bill paid by consumers. Consumers should be aware that energy retailers will package up our tariffs into their own tariffs charged to consumers and the actual impact on consumer electricity bills will vary according to their price plan, consumption and market variations. Consumers should check with their energy retailer to understand the actual impact on their total electricity bill.

For Non Standard Individual Contracts, WELL increased the Distribution Charge price component from 2014/15 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 - 2015 Pricing.

4 Public Disclosure of 2015/16 Prices

In accordance with clause 2.4.19(2)(b) a summary of the 2015/16 tariffs were advertised in the Dominion Post hardcopy on 28 February 2015 and the Dominion Post online edition on 28 February 2015.

In accordance with clause 2.4.20 WELL notified consumers on Non Standard Individual Contracts of the price change in writing on 23 February 2015.

[5] The change in Distribution Line Charges associated with the Starting Price Adjustment is -15.03%.

[6] The change in Transmission Line Charges associated with the Transpower Transmission Charges is -5.82%.

[7] The change in Distribution Line Charges associated with the CPI Adjustment is 1.44%.

WELL's Electricity Line Charges Schedule

1 April 2015 to 31 March 2016

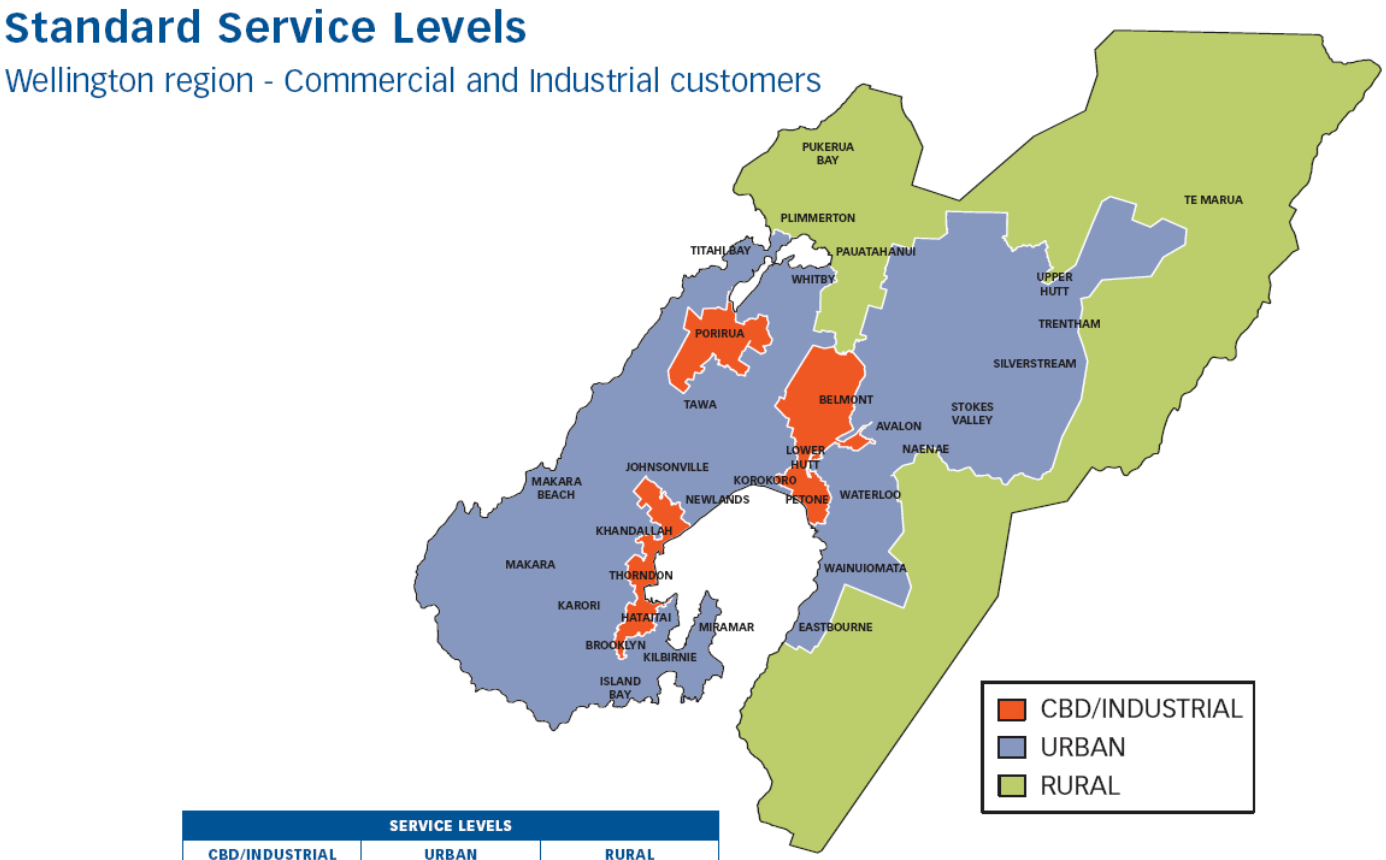
Code	Description	Units	Estimated Number of Consumers as at 31 January 2015	2015/16 Disclosure Year				2014/15 Disclosure Year			
				Distribution Line Charge	Transmission Line Charge 1	Pass-through Costs Line Charge 2	Total Network Line Charge	Distribution Line Charge	Transmission Line Charge 1	Pass-through Costs Line Charge 2	Total Network Line Charge
Unmetered											
G001-FIXD	Non street lighting, <1kVA, fixed charge	$/day/fitting	477	0.0411	0.0000	0.0000	0.0411	0.0253	0.0152	0.0006	0.0411
G001-24UC	Non street lighting, <1kVA, variable charge	$/kWh		0.0593	0.0746	0.0040	0.1379	0.0981	0.0587	0.0024	0.1592
G002-FIXD	Street lighting, <1kVA, fixed charge	$/day/fitting	113	0.0411	0.0000	0.0000	0.0411	0.0253	0.0152	0.0006	0.0411
G002-24UC	Street lighting, <1kVA, variable charge	$/kWh		0.0593	0.0746	0.0040	0.1379	0.0981	0.0587	0.0024	0.1592
Residential											
G100-FIXD	Single meter without control (low user), fixed charge	$/day	18,092	0.1500	0.0000	0.0000	0.1500	0.0924	0.0553	0.0022	0.1500
G100-24UC	Single meter without control (low user), uncontrolled charge	$/kWh		0.0453	0.0602	0.0033	0.1088	0.0749	0.0448	0.0018	0.1215
G100-NITE	Single meter without control (low user), night charge	$/kWh		0.0077	0.0096	0.0005	0.0178	0.0127	0.0076	0.0003	0.0206
G101-FIXD	Dual meter with control (low user), fixed charge	$/day	5,526	0.1500	0.0000	0.0000	0.1500	0.0924	0.0553	0.0022	0.1500
G101-24UC	Dual meter with control (low user), uncontrolled charge	$/kWh		0.0453	0.0602	0.0033	0.1088	0.0749	0.0448	0.0018	0.1215
G101-CTRL	Dual meter with control (low user), controlled charge	$/kWh		0.0212	0.0296	0.0016	0.0524	0.0351	0.0210	0.0008	0.0569
G101-NITE	Dual meter with control (low user), night charge	$/kWh		0.0077	0.0096	0.0005	0.0178	0.0127	0.0076	0.0003	0.0206
G102-FIXD	Single meter with control (low user), fixed charge	$/day	61,884	0.1500	0.0000	0.0000	0.1500	0.0924	0.0553	0.0022	0.1500
G102-AICO	Single meter with control (low user), all inclusive charge	$/kWh		0.0355	0.0490	0.0027	0.0872	0.0588	0.0352	0.0014	0.0954
G102-NITE	Single meter with control (low user), night charge	$/kWh		0.0077	0.0096	0.0005	0.0178	0.0127	0.0076	0.0003	0.0206
G103-FIXD	3 phase residential (low user), fixed charge	$/day	224	0.1500	0.0000	0.0000	0.1500	0.0924	0.0553	0.0022	0.1500
G103-24UC	3 phase residential (low user), variable charge	$/kWh		0.0457	0.0611	0.0033	0.1101	0.0756	0.0453	0.0018	0.1227
G104-FIXD	Single meter without control (standard user), fixed charge	$/day	12,933	1.0000	0.0000	0.0000	1.0000	0.5546	0.3320	0.0134	0.9000
G104-24UC	Single meter without control (standard user), uncontrolled charge	$/kWh		0.0326	0.0357	0.0019	0.0702	0.0539	0.0323	0.0013	0.0875
G104-NITE	Single meter without control (standard user), night charge	$/kWh		0.0073	0.0089	0.0005	0.0167	0.0121	0.0072	0.0003	0.0196
G105-FIXD	Dual meter with control (standard user), fixed charge	$/day	5,685	1.0000	0.0000	0.0000	1.0000	0.5546	0.3320	0.0134	0.9000
G105-24UC	Dual meter with control (standard user), uncontrolled charge	$/kWh		0.0326	0.0357	0.0019	0.0702	0.0539	0.0323	0.0013	0.0875
G105-CTRL	Dual meter with control (standard user), controlled charge	$/kWh		0.0110	0.0101	0.0005	0.0216	0.0182	0.0109	0.0004	0.0296
G105-NITE	Dual meter with control (standard user), night charge	$/kWh		0.0073	0.0089	0.0005	0.0167	0.0121	0.0072	0.0003	0.0196
G106-FIXD	Single meter with control (standard user), fixed charge	$/day	43,868	1.0000	0.0000	0.0000	1.0000	0.5546	0.3320	0.0134	0.9000
G106-AICO	Single meter with control (standard user), all inclusive charge	$/kWh		0.0236	0.0237	0.0013	0.0486	0.0390	0.0233	0.0009	0.0633
G106-NITE	Single meter with control (standard user), night charge	$/kWh		0.0073	0.0089	0.0005	0.0167	0.0121	0.0072	0.0003	0.0196
G107-FIXD	3 phase residential (standard user), fixed charge	$/day	507	1.0000	0.0000	0.0000	1.0000	0.5546	0.3320	0.0134	0.9000
G107-24UC	3 phase residential (standard user), variable charge	$/kWh		0.0338	0.0367	0.0020	0.0725	0.0558	0.0334	0.0013	0.0906
G108-FIXD	Dual meter with control (low user), fixed charge (Electric Vehicle)	$/day	-	0.1500	0.0000	0.0000	0.1500	0.0924	0.0553	0.0022	0.1500
G108-24UC	Dual meter with control (low user), uncontrolled charge (Electric Vehicle)	$/kWh		0.0453	0.0602	0.0033	0.1088	0.0749	0.0448	0.0018	0.1215
G108-CTRL	Dual meter with control (low user), controlled charge (Electric Vehicle)	$/kWh		0.0212	0.0296	0.0016	0.0524	0.0351	0.0210	0.0008	0.0569
G108-NITE	Dual meter with control (low user), night charge (Electric Vehicle)	$/kWh		0.0073	0.0100	0.0005	0.0178	0.0121	0.0072	0.0003	0.0196
G109-FIXD	Dual meter with control (standard user), fixed charge (Electric Vehicle)	$/day	-	1.0000	0.0000	0.0000	1.0000	0.5546	0.3320	0.0134	0.9000
G109-24UC	Dual meter with control (standard user), uncontrolled charge (Electric Vehicle)	$/kWh		0.0326	0.0357	0.0019	0.0702	0.0539	0.0323	0.0013	0.0875
G109-CTRL	Dual meter with control (standard user), controlled charge (Electric Vehicle)	$/kWh		0.0110	0.0101	0.0005	0.0216	0.0182	0.0109	0.0004	0.0296
G109-NITE	Dual meter with control (standard user), night charge (Electric Vehicle)	$/kWh		0.0073	0.0089	0.0005	0.0167	0.0121	0.0072	0.0003	0.0196

WELL's Electricity Line Charges Schedule cont..

Code	Description	Units	Estimated Number of Consumers as at 31 January 2015	2015/16 Disclosure Year				2014/15 Disclosure Year			
				Distribution Line Charge	Transmission Line Charge 1	Pass-through Costs Line Charge 2	Total Network Line Charge	Distribution Line Charge	Transmission Line Charge 1	Pass-through Costs Line Charge 2	Total Network Line Charge
Low voltage connection											
GV02-FIXD	<=15kVA, fixed charge	$/day	5,005	0.5847	0.0000	0.0000	0.5847	0.3603	0.2157	0.0087	0.5847
GV02-24UC	<=15kVA, variable charge	$/kWh		0.0250	0.0314	0.0017	0.0581	0.0414	0.0247	0.0010	0.0671
GV07-FIXD	>15kVA and <=69kVA, fixed charge	$/day	10,322	1.4463	0.0000	0.0000	1.4463	0.8913	0.5335	0.0215	1.4463
GV07-24UC	>15kVA and <=69kVA, variable charge	$/kWh		0.0174	0.0218	0.0012	0.0404	0.0288	0.0172	0.0007	0.0467
GV14-FIXD	>69kVA and <=138kVA, fixed charge	$/day	396	8.1951	0.0000	0.0000	8.1951	5.0503	3.0227	0.1220	8.1951
GV14-24UC	>69kVA and <=138kVA, variable charge	$/kWh		0.0205	0.0258	0.0014	0.0477	0.0340	0.0203	0.0008	0.0551
GV30-FIXD	>138kVA and <=300kVA, fixed charge	$/day	295	11.6739	0.0000	0.0000	11.6739	7.1942	4.3059	0.1738	11.6739
GV30-24UC	>138kVA and <=300kVA, variable charge	$/kWh		0.0085	0.0107	0.0006	0.0198	0.0141	0.0084	0.0003	0.0228
GV99-FIXD	>300kVA, TOU, fixed charge	$/day	260	29.4367	0.0000	0.0000	29.4367	18.1407	10.8577	0.4383	29.4367
GV99-24UC	>300kVA, TOU, variable charge	$/kWh		0.0038	0.0047	0.0003	0.0088	0.0063	0.0038	0.0002	0.0102
GV99-DAMD	>300kVA, TOU, demand charge	$/kVA/month		3.3768	4.2428	0.2305	7.8501	5.5852	3.3429	0.1350	9.0631
Transformer connection											
GX02-FIXD	<=15kVA, fixed charge	$/day	-	0.5318	0.0000	0.0000	0.5318	0.3277	0.1962	0.0079	0.5318
GX02-24UC	<=15kVA, variable charge	$/kWh		0.0228	0.0286	0.0016	0.0530	0.0377	0.0225	0.0009	0.0611
GX07-FIXD	>15kVA and <=69kVA, fixed charge	$/day	13	1.3149	0.0000	0.0000	1.3149	0.8103	0.4850	0.0196	1.3149
GX07-24UC	>15kVA and <=69kVA, variable charge	$/kWh		0.0158	0.0199	0.0011	0.0368	0.0262	0.0157	0.0006	0.0425
GX14-FIXD	>69kVA and <=138kVA, fixed charge	$/day	14	7.4500	0.0000	0.0000	7.4500	4.5912	2.7479	0.1109	7.4500
GX14-24UC	>69kVA and <=138kVA, variable charge	$/kWh		0.0187	0.0235	0.0013	0.0435	0.0309	0.0185	0.0007	0.0502
GX30-FIXD	>138kVA and <=300kVA, fixed charge	$/day	88	10.6126	0.0000	0.0000	10.6126	6.5401	3.9144	0.1580	10.6126
GX30-24UC	>138kVA and <=300kVA, variable charge	$/kWh		0.0077	0.0097	0.0005	0.0179	0.0128	0.0076	0.0003	0.0207
GX99-FIXD	>300kVA, TOU, fixed charge	$/day	240	22.8980	0.0000	0.0000	22.8980	14.1112	8.4459	0.3410	22.8980
GX99-24UC	>300kVA, TOU, variable charge	$/kWh		0.0030	0.0038	0.0002	0.0070	0.0050	0.0030	0.0001	0.0081
GX99-CAPY	>300kVA, TOU, capacity charge	$/kVA/day		0.0072	0.0090	0.0005	0.0167	0.0118	0.0071	0.0003	0.0192
GX99-DAMD	>300kVA, TOU, demand charge	$/kVA/month		2.7678	3.4777	0.1889	6.4344	4.5780	2.7400	0.1106	7.4286
Industrial											
GC60-FIXD	>1500kVA connection, in CBD/Industrial service area, fixed charge	$/day	19	0.0509	0.0000	0.0000	0.0509	0.0314	0.0188	0.0008	0.0509
GC60-24UC	>1500kVA connection, in CBD/Industrial service area, variable charge	$/kWh		0.0006	0.0008	0.0000	0.0014	0.0010	0.0006	0.0000	0.0016
GC60-CAPY	>1500kVA connection, in CBD/Industrial service area, capacity charge	$/kVA/day		0.0123	0.0154	0.0008	0.0285	0.0203	0.0121	0.0005	0.0329
GC60-DOPC	>1500kVA connection, in CBD/Industrial service area, on-peak demand charge	$/kW/month		4.8975	6.1536	0.3343	11.3854	8.1005	4.8484	0.1957	13.1446
GC60-PWRF	>1500kVA connection, in CBD/Industrial service area, power factor charge	$/kVAr/month		3.6230	4.5523	0.2473	8.4226	5.9926	3.5867	0.1448	9.7241
GU60-FIXD	>1500kVA connection, in urban service area, fixed charge	$/day	18	0.0509	0.0000	0.0000	0.0509	0.0314	0.0188	0.0008	0.0509
GU60-24UC	>1500kVA connection, in urban service area, variable charge	$/kWh		0.0006	0.0008	0.0000	0.0014	0.0010	0.0006	0.0000	0.0016
GU60-CAPY	>1500kVA connection, in urban service area, capacity charge	$/kVA/day		0.0123	0.0154	0.0008	0.0285	0.0203	0.0121	0.0005	0.0329
GU60-DOPC	>1500kVA connection, in urban service area, on-peak demand charge	$/kW/month		5.0994	6.4073	0.3481	11.8548	8.4345	5.0483	0.2038	13.6866
GU60-PWRF	>1500kVA connection, in urban service area, power factor charge	$/kVAr/month		3.6230	4.5523	0.2473	8.4226	5.9926	3.5867	0.1448	9.7241
GR60-FIXD	>1500kVA connection, in rural service area, fixed charge	$/day	2	0.0509	0.0000	0.0000	0.0509	0.0314	0.0188	0.0008	0.0509
GR60-24UC	>1500kVA connection, in rural service area, variable charge	$/kWh		0.0006	0.0008	0.0000	0.0014	0.0010	0.0006	0.0000	0.0016
GR60-CAPY	>1500kVA connection, in rural service area, capacity charge	$/kVA/day		0.0123	0.0154	0.0008	0.0285	0.0203	0.0121	0.0005	0.0329
GR60-DOPC	>1500kVA connection, in rural service area, on-peak demand charge	$/kW/month		6.1452	7.7214	0.4194	14.2860	10.1643	6.0836	0.2456	16.4935
GR60-PWRF	>1500kVA connection, in rural service area, power factor charge	$/kVAr/month		3.6230	4.5523	0.2473	8.4226	5.9926	3.5867	0.1448	9.7241

1 Transmission Line Charges include Non-exempt EDB electricity lines service charges payable to Transpower, Transpower new investment contract charges and avoided transmission charges.

2 Pass-through Cost Line Charges include rates, Commerce Act levies, Electricity Authority levies and other specified pass-through costs.



	SERVICE LEVELS		
	CBD/INDUSTRIAL	URBAN	RURAL
Time to restore power	From 0 – 3 hours	From 0 – 3 hours	From 0 – 6 hours

Effective: 1 May 2005

Figure 1 – Industrial Service Area's