



Wellington Electricity Lines Limited

Disclosure of Prices for the 3 month period 1 April 2018 to 30 June 2018

Wellington Electricity is keeping its existing prices for standard customers unchanged until 1 July 2018. An updated Disclosure of Prices document containing prices that apply from 1 July 2018 will be published 20 working days prior to 1 July 2018 as required by regulation. The Commerce Commission is expected to publish its final determination on Wellington Electricity's Streamlined Customised Price Path application in late March 2018. The final determination will be used in the calculation of Wellington Electricity's prices

Pursuant to Electricity Distribution Information Disclosure Determination 2012

28 March 2017

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 - (b) an explanation of the reasons for the new price or the changed or withdrawn price;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 - (a) give written notice to each consumer by whom that price is, or in the case of a withdrawn price would have been, payable, including the information specified in clause 2.4.18 above in respect of that price; or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 Summary of changes to pricing structures

There are no changes to pricing structures for the 1 April 2018 to 30 June 2018 period.

3 Consumer Groups

This section sets out the rationale and criteria for our consumer groups.

3.1 Defining Consumer Groups

Wellington Electricity Lines Limited (WELL) has adopted the following consumer groups for pricing purposes:

- Standard contracts:
 - Residential Low User (RLU);
 - Residential Standard User (RSU);
 - General Low Voltage Connection (GLV);
 - General Transformer Connection (GTX); and
 - Unmetered (G).
- Non Standard Contracts.

Consumers are grouped by voltage level connection, end use, and their utilisation of electricity assets. As an example, the General Transformer Connection group does not make use of the low voltage (LV) reticulation network, as it connects directly to the high voltage network via a dedicated transformer.

Our Electricity Delivery Price Schedule¹ sets out prices for the 1 April 2018 - 30 June 2018 pricing period for the Standard contract consumer groups. Non-standard contract consumer groups are notified directly of their pricing.

The criteria used by WELL to allocate consumers to consumer groups is as follows:

Residential

The Residential consumer group is consistent with the definition of “Domestic consumer” in the Low Fixed Charge Regulations, where the primary use of the point of connection is a home not normally used for any business activity. Consumers in this group almost exclusively are connected to the LV Network, place similar capacity demands on the network, and can use night boost² and controlled³ tariffs, provided they have the required metering, dedicated interruptible load and meet other eligibility criteria.

This residential consumer group has low and standard users. A low user is a residential consumer who consumes less than 8,000 kWh per year and who is on a low fixed charge retail pricing plan. The Low Fixed Charge Regulations require electricity distribution businesses (EDBs) to offer a pricing plan to domestic low users with a fixed price of no more than 15 cents per day.

A standard user is a residential consumer who consumes more than 8,000 kWh per year.

¹ Available at: <http://www.welectricity.co.nz/disclosures/pricing/2018-pricing/>

² Night boost is a separately metered supply to permanently wired appliances, such as night store heaters, which are switched on and off at specific times. Night boost supply will be switched on during the night period (11pm to 7am) and for a minimum two hour boost period during the day (generally between 1pm to 3pm).

³ A controlled supply is a supply that allows WELL to control energy supply to permanently wired appliances, such as hot water cylinders. The load control associated with a controlled supply is not operated based on specific daily times.

General Low Voltage Connection

The General Low Voltage Connection group is connected to the LV network with a connection capacity of up to 1500kVA, where the premises is a non-residential site used for business activity (e.g. a shop or a farm).

General Transformer Connection

The General Transformer Connection group includes consumers who receive supply from a transformer, owned by WELL and dedicated to supplying a single consumer, where the premises is a non-residential site used for business activity.

Voltage and asset distinctions

The following table depicts the relationship between consumer groups, load and asset utilisation characteristics.

| Connection Asset Characteristics | Unmetered | Residential | General Low Voltage | General Transformer | Non Standard |
|----------------------------------|----------------|-------------|---------------------|---------------------|----------------|
| <1kVA | ✓ | | | | |
| <=15kVA | | ✓ | ✓ | ✓ | |
| >15kVA & <=69kVA | | | ✓ | ✓ | |
| >69kVA & <=138kVA | | | ✓ | ✓ | |
| >138kVA & <=300kVA | | | ✓ | ✓ | |
| >300kVA & <=1500kVA | | | ✓ | ✓ | |
| >1500kVA | | | | ✓ | ✓ |
| Low voltage | ✓ | ✓ | ✓ | | |
| Transformer | ✓ | ✓ | ✓ | ✓ | ✓ |
| High voltage | | | | ✓ | ✓ |
| Dedicated assets | ✓ ⁴ | | | ✓ ⁵ | ✓ ⁶ |

Table 1 – Consumer group and load characteristics

Non-standard contracts

The non-standard contracts group is made up of consumers who have atypical connection characteristics. For non-standard consumers, a confidential agreement exists between WELL and the individual consumer which sets out the terms and conditions for the supply of the electricity lines services including the price.

In accordance with its Customer Contributions Policy⁷, WELL uses the following criteria to determine if a non-standard contract is appropriate:

- The consumer represents an unusual credit risk; or
- The consumer wants to reserve future network capacity; or

⁴ Streetlight circuits

⁵ Transformers

⁶ Dedicated network assets

⁷ Available at <http://www.welectricity.co.nz/disclosures/customer-contributions/>

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- There are unusual asset ownership or demarcation issues; or
- The consumer and/or WELL wishes to contract for additional services not covered in standard contracts; or
- The site to be connected has unusual locational or security issues; or
- Any other unusual circumstances that WELL, at its discretion, considers to warrant the use of a non-standard rather than standard contract.

Unmetered

The Unmetered consumer group includes consumers who do not have any metering because the cost of metering is prohibitive relative to their consumption. This includes streetlights, bus shelters, traffic lights etc.

4 Change in Prices from 2017/18 Disclosure

There are no changes to prices for standard customers for the 1 April 2018 to 30 June 2018 period.

Wellington Electricity has applied for a streamlined customised price-quality path which, if approved, is expected to apply for a three year period commencing 1 April 2018. At the time that this document was prepared, the Commerce Commission had not issued the CPP Determination, which is expected to be issued in late March 2018. To allow for that Determination to be made, WELL has deferred the usual timing of our price change, from 1 April 2018 to 1 July 2018.

A subsequent version of this document will be published 20 working days prior to 1 July 2018. This subsequent Disclosure of Prices document will reflect the impacts of any price changes that will apply from 1 July 2018 arising from the Commission's CPP Determination for WELL.

In accordance with clause 2.4.18, WELL's Electricity Delivery Price Schedule in Table 2 of this document sets out the prices that apply during the 1 April 2018 to 30 June 2018 period.

It should be noted that WELL's electricity delivery prices 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).

Our delivery charges represent around 30 - 40% of the total electricity bill paid by consumers. However, consumers should be aware that energy retailers will package up our prices into their own retail offerings and the actual impact on consumer electricity bills will vary according to price plans, consumption and the extent to which energy retailers pass through WELL's network price changes. Consumers should check with their energy retailer if they wish to further understand the actual impact on their total electricity bill.

5 Public Disclosure of 1 April 2018 to 30 June 2018 Prices

In accordance with clause 2.4.19(2)(b) a summary of the 2017/18 prices was advertised in the Dominion Post online edition on 1 March 2017 to 7 March 2017 and in the Dominion Post hardcopy on 4 March 2017. Wellington Electricity is keeping its existing prices for standard customers unchanged until 1 July 2018. Changes to prices from 1 July 2018 will be publicly disclosed as required by regulation.

In accordance with clause 2.4.20 WELL notified consumers on Non Standard Individual Contracts of price changes in writing on 1 March 2018.

WELL's Electricity Delivery Price Schedule

1 April 2018 to 30 June 2018

| Code | Description | Units | Estimated number of consumers as at 31 January 2018 | Distribution price | Transmission and pass through Price ⁶ | Delivery Price |
|---------------------------------------|---|----------------|---|--------------------|--|----------------|
| Residential | | | | | | |
| RLU-FIXD | Low user daily | \$/con/day | 91,683 | 0.1500 | 0.0000 | 0.1500 |
| RLU-24UC | Low user uncontrolled | \$/kWh | | 0.0468 | 0.0690 | 0.1158 |
| RLU-AICO | Low user all inclusive | \$/kWh | | 0.0367 | 0.0562 | 0.0929 |
| RLU-CTRL | Low user controlled | \$/kWh | | 0.0219 | 0.0339 | 0.0558 |
| RLU-NITE | Low user night boost | \$/kWh | | 0.0080 | 0.0109 | 0.0189 |
| RLU-EVNITE | Low user electric vehicle night only ¹ | \$/kWh | | 0.0080 | 0.0109 | 0.0189 |
| RLU-EVDMND | Low user electric vehicle demand ² | \$/kW/month | | 0.0000 | 0.0000 | 0.0000 |
| RSU-FIXD | Standard user daily | \$/con/day | 58,230 | 1.1000 | 0.0000 | 1.1000 |
| RSU-24UC | Standard user uncontrolled | \$/kWh | | 0.0316 | 0.0409 | 0.0725 |
| RSU-AICO | Standard user all inclusive | \$/kWh | | 0.0228 | 0.0271 | 0.0499 |
| RSU-CTRL | Standard user controlled | \$/kWh | | 0.0107 | 0.0115 | 0.0222 |
| RSU-NITE | Standard user night boost | \$/kWh | | 0.0071 | 0.0102 | 0.0173 |
| RSU-EVNITE | Standard user electric vehicle night only ¹ | \$/kWh | | 0.0071 | 0.0102 | 0.0173 |
| RSU-EVDMND | Standard user electric vehicle demand ² | \$/kW/month | | 0.0000 | 0.0000 | 0.0000 |
| General low voltage connection | | | | | | |
| GLV15-FIXD | General low voltage <=15kVA daily | \$/con/day | 5,071 | 0.6268 | 0.0000 | 0.6268 |
| GLV15-24UC | General low voltage <=15kVA uncontrolled | \$/kWh | | 0.0207 | 0.0360 | 0.0567 |
| GLV69-FIXD | General low voltage >15kVA and <=69kVA daily | \$/con/day | 9,982 | 1.5504 | 0.0000 | 1.5504 |
| GLV69-24UC | General low voltage >15kVA and <=69kVA uncontrolled | \$/kWh | | 0.0143 | 0.0250 | 0.0393 |
| GLV138-FIXD | General low voltage >69kVA and <=138kVA daily | \$/con/day | 383 | 8.7851 | 0.0000 | 8.7851 |
| GLV138-24UC | General low voltage >69kVA and <=138kVA uncontrolled | \$/kWh | | 0.0170 | 0.0295 | 0.0465 |
| GLV300-FIXD | General low voltage >138kVA and <=300kVA daily | \$/con/day | 338 | 12.5144 | 0.0000 | 12.5144 |
| GLV300-24UC | General low voltage >138kVA and <=300kVA uncontrolled | \$/kWh | | 0.0070 | 0.0123 | 0.0193 |
| GLV1500-FIXD | General low voltage >300kVA and <=1500kVA daily | \$/con/day | 219 | 31.5561 | 0.0000 | 31.5561 |
| GLV1500-24UC | General low voltage >300kVA and <=1500kVA uncontrolled | \$/kWh | | 0.0031 | 0.0055 | 0.0086 |
| GLV1500-DAMD | General low voltage >300kVA and <=1500kVA demand | \$/kVA/month | | 2.7627 | 4.8915 | 7.6542 |
| General transformer connection | | | | | | |
| GTX15-FIXD | General transformer <=15kVA daily | \$/con/day | 2 | 0.5690 | 0.0000 | 0.5690 |
| GTX15-24UC | General transformer <=15kVA uncontrolled | \$/kWh | | 0.0201 | 0.0328 | 0.0529 |
| GTX69-FIXD | General transformer >15kVA and <=69kVA daily | \$/con/day | 20 | 1.4069 | 0.0000 | 1.4069 |
| GTX69-24UC | General transformer >15kVA and <=69kVA uncontrolled | \$/kWh | | 0.0140 | 0.0229 | 0.0369 |
| GTX138-FIXD | General transformer >69kVA and <=138kVA daily | \$/con/day | 17 | 7.9715 | 0.0000 | 7.9715 |
| GTX138-24UC | General transformer >69kVA and <=138kVA uncontrolled | \$/kWh | | 0.0166 | 0.0269 | 0.0435 |
| GTX300-FIXD | General transformer >138kVA and <=300kVA daily | \$/con/day | 92 | 11.3555 | 0.0000 | 11.3555 |
| GTX300-24UC | General transformer >138kVA and <=300kVA uncontrolled | \$/kWh | | 0.0069 | 0.0111 | 0.0180 |
| GTX1500-FIXD | General transformer >300kVA and <=1500kVA daily | \$/con/day | 190 | 24.5009 | 0.0000 | 24.5009 |
| GTX1500-24UC | General transformer >300kVA and <=1500kVA uncontrolled | \$/kWh | | 0.0026 | 0.0044 | 0.0070 |
| GTX1500-CAPY | General transformer >300kVA and <=1500kVA capacity | \$/kVA/day | | 0.0063 | 0.0104 | 0.0167 |
| GTX1500-DAMD | General transformer >300kVA and <=1500kVA demand | \$/kVA/month | | 2.4243 | 4.0093 | 6.4336 |
| GTX1501-FIXD | General transformer >1500kVA connection daily | \$/con/day | 34 | 0.0545 | 0.0000 | 0.0545 |
| GTX1501-24UC | General transformer >1500kVA connection uncontrolled | \$/kWh | | 0.0006 | 0.0009 | 0.0015 |
| GTX1501-CAPY | General transformer >1500kVA connection capacity | \$/kVA/day | | 0.0119 | 0.0177 | 0.0296 |
| GTX1501-DOPC | General transformer >1500kVA connection on-peak demand ³ | \$/kW/month | | 4.8536 | 7.2683 | 12.1219 |
| GTX1501-PWRF | General transformer, >1500kVA connection, power factor ⁴ | \$/kVA/month | | 3.5047 | 5.2483 | 8.7530 |
| Unmetered | | | | | | |
| G001-FIXD | Non-street lighting daily | \$/fitting/day | 506 | 0.0432 | 0.0000 | 0.0432 |
| G001-24UC | Non-street lighting uncontrolled | \$/kWh | | 0.0549 | 0.0854 | 0.1403 |
| G002-FIXD | Street lighting daily | \$/fitting/day | 333 | 0.1246 | 0.0938 | 0.2184 |
| G002-24UC | Street lighting uncontrolled | \$/kWh | | 0.0000 | 0.0000 | 0.0000 |
| Distributed generation | | | | | | |
| *DGEN | Small scale distributed generation ⁵ | \$/kWh | n/a | 0.0000 | 0.0000 | 0.0000 |

Notes:

- EV night rate applies from 9 p.m. to 7 a.m.
- Electric vehicle demand is measured between 5 p.m. and 9 p.m. during weekdays including public holidays.
- Charge is applicable to demand measured from 7.30 a.m. to 9.30 a.m. and 5.30 p.m. to 7.30 p.m. on weekdays including public holidays.
- Charge is applicable for power factor <0.95 from 7 a.m. to 8 p.m. on weekdays where the kVAh charge amount represents twice the largest difference between the recorded kVAh and one third of the recorded kWh in any one half-hour period.
- WE* has various codes for small scale distributed generation volumes, being RLU-DGEN, RSU-DGEN, GLV15-DGEN, GLV69-DGEN, GLV138-DGEN, GLV300-DGEN, GLV1500-DGEN, GTX15-DGEN, GTX69-DGEN, GTX138-DGEN, GTX300-DGEN, GTX1500-DGEN and GTX1501-DGEN.
- Transmission charges makes up 91% of the Transmission and Other pass through Price. Other pass through charges recovered include costs such as Commerce Act Levies, Electricity Authority Levies, Council rates and other recoverable costs.

Table 2 – Delivery Charges applicable 1 April 2018 – 30 June 2018