

## Electricity Network Charges Kapiti Coast and Horowhenua: Effective 1 April 2005

Electra owns and operates the electricity lines and distribution assets in the Kapiti-Horowhenua region. Electra invoices these charges to Electricity Retailers, who then include these in your regular electricity bill.

Electra Electricity Line Charges from 1 April 2005 (excluding GST)

Users	Price	Price	Price Option	Time	Line Function	Transmission	Total
(Est)	Code	Option	Component	Zone On	cents / unit	cents / unit	cents / unit
36,486	EL1	Anytime		All	5.88	1.35	7.23
24,880	EL2	Managed Saver		As required	1.75	0.71	2.46
2,306	EL3	Combined		As required	4.30	1.09	5.39
590	EL4	Super Thrifty		2300-0700	0.58	0.13	0.71
2,252	EL5	Thrifty		2300-0700	0.73	0.13	0.86
				1300-1600	0.73	0.13	0.86
431	EL6	Triple Saver	Night	2300-0700	0.58	0.13	0.71
			Peak	0700-1100	6.27	1.35	7.62
				1700-2100	6.27	1.35	7.62
			Off peak	1100-1700	0.91	0.71	1.62
			·	2100-2300	0.91	0.71	1.62
532	EL8	PayGo		All	5.88	1.35	7.23
	All PayGo	sites incur a standard	Supply Charge EL15	effective 1 April 2004			
-	EL9	Street Lighting		Timetable	2.92	1.13	4.05
-	EL10	Community Lighting		Timetable	3.60	1.13	4.73
839	EL11	Night / Day	Night	2100-0700	0.71	0.13	0.84
			Day	0700-2100	6.07	1.35	7.42
39,862	EL15	Supply Charge			cents/day 5.00	0 cents/day 10.00	cents/day 15.00

### Sales Discount

A Sales Discount will be credited to the consumer at each metered supply point (ICP) at the discount date in February 2006. The discount will be 32% of the ICP's total fixed and variable Network (Line and Transmission) charges for the previous twelve months.

#### **Power Factor Charge**

This applies to commercial customers. Where the power factor is less than 0.95 Electra reserves the right to impose a power factor charge. The charge will be based on a multiplier of 2% of the monthly total Line charges for every 0.01 power factor below 0.95 lagging.

	Network Losses	Loss Factor Code	Loss Factor
Network Losses	6.70%	1	1.072

Please note that there have been changes to charging and discounts made by Electra commencing on 1 April 2005 in order to comply with the Government's Low Fixed Charge Regulations.

## The changes to charging and discounts are:

The fixed supply charge for all consumers is reduced to 15 cents per day from the equivalent of 50 cents per day.

Variable Line Function prices for each unit of electricity are increased to compensate for this reduction.

The new variable Line Function prices also include a CPI increase passed on to you under Commerce Commission price rise rules for electricity lines companies.

Transmission prices have not increased, the monthly supply charge has been converted to a daily charge.

Minimum discounts every six months will cease - instead your discount will be 32% of your total Network charges.

Your discount will be paid every 12 months, with the first being in February 2006.

Please Note - Your March 2005 discount will still include minimum amounts.

# Reasons for the changes:

Electra is making these changes to its charging to comply with the Government's Low Fixed Charge Regulations.

These Regulations were impossible for Electra to implement fully without changing its current charging and discount policy.

For example by giving consumers currently on a Low Fixed Charge alternative the same \$160 per year discount as those on Electra's standard charges, we would be paying some on the Low Fixed Charge more in discounts than we had received for their network connection.

## How the changes are likely to affect you?

For the majority of consumers the total amount of Network charges you pay will decease slightly.

There will be a number of larger consumers who will pay more in line charges.

# What does this mean for the retail price of electricity?

Electra cannot influence how electricity retailers pass the prices that Electra charges them, on to the final price they charge on your power bill.

What we can say is that we have advised retailers of Electra's new charging regime and we would expect to see this reflected through into retail prices.

Your daily supply charge should decrease on your power bill from 1 April 2005, but your unit rates will increase.

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