

SCHEDULE 1. CHARGES

This Schedule is divided into three parts.

Schedule S1.1 below specifies the Use-of-System charges for the Line Function Services of the Distributor which are effective from the Date of Commencement until amended or substituted charges are determined in accordance with Clause 15.

Schedule S1.2 below specifies the Metering Services charges applicable for Apparent Power metering

Schedule S1.3 below specifies applicable load capacity groups.

Schedule S1.4 below specifies the power factor penalty charge applicable to Customers with power factors below 0.95.

S1.1. Use-of-System Charges

S1.1.1. General

All charges are stated exclusive of Goods and Services Tax.

- These charges are conditional on the application of Load Control Services to all appropriate Customers as indicated in Clause 12.1 (d) of the Agreement and as further detailed in the Distribution Code. Differential charges for Customers in Load Groups 1 and 2 with Controlled and Uncontrolled hotwater apply in addition to the requirement for the control of certain other appliances as detailed in the Distribution Code.
- No allowance is made for distribution losses.
- Capacity is the “contracted capacity” according to records of the Distributor or as approved in the Network Connection Application and is generally based on the minimum of the mains size, mains protective device rating, or load limiting circuit breaker rating or in the case of Customers with dedicated transformers, the capacity of the transformer.
- Control period demand is based upon the average kVA demand at each consumer’s installation whilst load control is being carried out by Network Tasman to restrict system load peaks - applies to installations with a capacity of greater than 150 kVA.

The Retailer acknowledges that the Distributor shall continue to develop the basis for establishing charges with the objective of making them more cost of supply related. This may lead to some customers being placed in charging groups different from their current ones.

The Retailer shall be kept informed of this process and reasonable notice will be given by the Distributor of its intention to change the grouping of individual customers.

Method of Derivation

Generally derivation of line charges has followed the guidelines of the SOLEC Guide (Guide to Derivation of Line Charges", SOLEC Working Party for the Electricity Supply Association of New Zealand, January 1992). It is expected that future methodologies will be based on accepted industry practice. Any exceptions are explained and quantified in the document Network Tasman Use of System Pricing Methodology.

S1.1.2. Distribution Charge Schedule

Note: All charges exclusive of GST and payable on a monthly basis.

Group Zero – L0 Unmetered supply (0-1 kVA) (To be charged on a daily basis)		All GXP: STK0331, MOT0111, MPI0661, MCH0111, KIK0111	
Fixed Annual Charge Distribution Electric Fences, phone boxes & other	¢	31.0	per ICP per day
Temporary Boxes	¢	83.0	per ICP per day
Annual Charge Distribution Streetlights	¢	0.072	per watt per day

Group One – L1 Metered supply (15 kVA)		All GXP: STK0331, MOT0111, MPI0661, MCH0111, KIK0111	
Variable Energy			
Anytime Continuous	¢	5.60	per kWh
Day (of Day/Night)	¢	6.16	per kWh
Controlled Water	¢	2.60	per kWh
Night	¢	1.86	per kWh
Off Peak Controlled	¢	4.40	per kWh
Fixed Charge			
Daily Charge	¢	11.85	per day

Group Two – L2 Metered supply (From 15 to 150 kVA capacity provided)		All GXP: STK0331, MOT0111, MPI0661, MCH0111, KIK0111	
Variable Energy			
Anytime Continuous	¢	5.60	per kWh
Day (of Day/Night)	¢	6.16	per kWh
Controlled Water	¢	2.60	per kWh
Night	¢	1.86	per kWh
Off Peak Controlled	¢	4.40	per kWh
Low user surcharge – ICPs 20 or 30 kVA	¢	3.00	per kWh
Low user surcharge – ICPs 40kVA or more	¢	6.70	per kWh
Fixed Charge			
Daily Charge	¢	3.20	per kVA per day
Daily Charge – Low User Domestic	¢	11.85	per day

Group Three – L3 Greater than 150kVA Anytime demand All regions/GXP		Category 3.1	Category 3.3	Category 3.4	Category 3.5	
Variable Energy						
Summer Day	¢	0.39	1.25	1.25	0.85	per kWh
Summer Night	¢	0.22	0.66	0.66	0.53	per kWh
Winter Day	¢	0.72	3.36	3.36	2.87	per kWh
Winter Night	¢	0.22	0.66	0.66	0.53	per kWh
Demand Charges						
Anytime	¢	8.00	10.87	11.60	10.87	per kVA per day
Winter	¢	3.03	3.03	3.03	3.03	per kW per day
Power Factor Charge – See S1.4	¢	23.54	23.54	23.54	23.54	per kVAr per day

For connections in groups L4 and L5, NTL reserves the right to apply individually calculated charges.

S1.1.3. Transmission Charge Schedule

Note: All charges exclusive of GST and payable on a monthly basis.

Group Zero – L0 Unmetered supply (0-1 kVA) (To be charged on a daily basis)		All GXP: STK0331, MOT0111, MPI0661, MCH0111, KIK0111	
Fixed Annual Charge Distribution Electric Fences, phone boxes & other	¢	13.0	per ICP per day
Temporary Boxes	¢	31.0	per ICP per day
Annual Charge Distribution Streetlights	¢	0.026	per watt per day

Group One – L1 Metered supply (15 kVA)		All GXP: STK0331, MOT0111, MPI0661, MCH0111, KIK0111	
Variable Energy			
Anytime Continuous	¢	2.13	per kWh
Day (of Day/Night)	¢	2.35	per kWh
Controlled Water	¢	0.97	per kWh
Night	¢	0.73	per kWh
Off Peak Controlled	¢	1.62	per kWh
Fixed Charge			
Daily Charge	¢	3.15	per day

Group Two – L2 Metered supply (From 15 to 150 kVA capacity provided)		All GXP: STK0331, MOT0111, MPI0661, MCH0111, KIK0111	
Variable Energy			
Anytime Continuous	¢	2.13	per kWh
Day (of Day/Night)	¢	2.35	per kWh
Controlled Water	¢	0.97	per kWh
Night	¢	0.73	per kWh
Off Peak Controlled	¢	1.62	per kWh
Fixed Charge			
Daily Charge	¢	0.85	per kVA per day
Daily Charge – Low User Domestic	¢	3.15	per day

Group Three – L3 Greater than 150kVA Anytime demand All regions/GXP		Category 3.1	Category 3.3	Category 3.4	Category 3.5	
Variable Energy						
Summer Day	¢	0.0	0.0	0.0	0.0	per kWh
Summer Night	¢	0.0	0.0	0.0	0.0	per kWh
Winter Day	¢	0.0	0.0	0.0	0.0	per kWh
Winter Night	¢	0.0	0.0	0.0	0.0	per kWh
Demand Charges						
Anytime	¢	2.02	2.02	2.02	2.02	per kVA per day
Winter	¢	18.75	18.75	18.75	18.75	per kW per day

S1.1.4. Loss Allocation Policy

For Retailers other than the Incumbent Retailer, the following Loss Factors are to be used by Retailers to multiply the kWh recorded on the meter at Customer premises in order to determine the Retailers responsibility for the purchase of kWh within the Distribution Network.

Loss Factor Allocation for Supply Areas Served From

	All GXP (STK0331, MOT0111, MCH0111, KIK0111, MPI0661)						
Load Group and Description/type	Load Groups 0, 1 & 2	3.1, 3.4 Non-Dedicated Transformer	3.1, 3.4, Dedicated Transformer	3.3, 3.5 11kV Supply	6.1 Bulk supply ⁵	6.2 Bulk supply ⁵	EN1 Embedded Network
Loss Code ⁶	L0, L1, L2	3ND	3D	311kVM	L61	L62	LEN1
Loss Factor	1.078	1.0610	1.0535	1.035	1.02	1.035	1.000

Note

- 1) Day 0700 – 2300 hrs
- 2) Night 2300 – 0700 hrs
- 3) Winter months May to September
- 4) Summer months October to April
- 5) Customers with installed capacities greater than 2,500 kVA subject to individual calculation.
- 6) Codes used in Registry to identify ICP loss factor.

The Retailer should note that the Distributor shall monitor Loss Factors from information supplied by Retailers under Schedule 4, technical evaluation from load flow analysis and evaluation of non technical factors. Amended Loss Factors may be posted by the Distributor on giving Retailer 90 days notice and the reason for the justification after consulting with the Incumbent Retailer, Retailer, and Other Retailers.

S1.2. Metering Service Charges

S1.2.1. Apparent Power metering charges as specified below shall apply to Customer Installations with connected capacities greater than 150 kVA unless the Apparent Power metering information is provided by the Retailer or the Retailers Agent.

Apparent Power (kVA) Metering Charges	Charges \$ meter/ya including reading
Three phase 5amp (CT metering)	<i>Subject to individual assessment</i>
Three phase 5amp (11kV metering CTs & PTs)	
Data Logger	

S1.3. Supply Capacity Groups

Subject to compliance with the Distribution Code, supply capacities for Load Groups 0, 1, 2, 3, 4 and 5 are set out below.

Load Group 0

0 – 1 kVA

Load Group 1

	kVA	Amps/phase
Single phase	15	60
Two phase	15	40
Three phase	15	30

Load Group 2

	kVA	Amps/phase
Two phase	20	60
Three phase	20	40
Three phase	30	50
Three phase	40	60
Three phase	50	80
Three phase	70	100
Three phase	90	125
Three phase	110	160
Three phase	130	200
Three phase	150	250

Load Group 3

	kVA	Amps/phase
Three phase	200	300

Dedicated Transformers (Load Group 3 Capacity Greater or equal to 300kVA)

Transformers owned by Distributor or Customer or Embedded Network Operator or any other third party.

300 kVA

500 kVA

750 kVA

1000 kVA

Greater than 1000 kVA the sum of transformer capacity installed

Load Group 4 and 5

The sum of transformer capacity owned by the Distributor, Customer, Embedded Network Operator or any other third party.

S1.4. Power Factor Penalty Charge

After giving the Retailer notice that a Customer Installation is in breach of the minimum Power Factor requirements as detailed in clause 15.5 and the Distribution Code, and allowing the Retailer of twelve months to rectify, the formulae below may be applied if the Customer Installation continues in breach and such charges may be invoiced on a monthly basis in accordance with clause 7.

Power Factor Penalty Charge = Chargeable kVAr × 22.85 cents per kVAr per day

Chargeable kVAr based on total kVAr less kVAr if at 0.95 Power Factor

Note:

- i) Applicable for Customer Installations with a Power Factor of less than 0.95
- ii) Lowest average Power Factor measured during the Distributors peak loads over year.
- iii) Charged on a daily basis.

SCHEDULE 2. LINE FUNCTION SERVICE'S- PERFORMANCE

S2.1. General

The Distributor shall use best endeavours to meet the standards of service and performance specified in this Schedule and to pay to the Retailer, where specified, the amounts quoted therein for non-compliance with the performance levels specified.

S2.2. Performance Levels

S2.2.1. The Distributor undertakes to monitor the quality and reliability of Line Function Services and aims to achieve targets consistent with the expectations of Retailers and their Customers. The performance targets are specified in the Risk Management and Security of Supply Plan as detailed in clause 12.7.

S2.2.2. The Distributor undertakes to pay the Retailer the following sums if the service standards specified below are not achieved:

i.) Failure of Individual Customer's connection to network (supplier fuse) unless caused by a Customer:

Attend and restore supply within

- 3 hours after notification(urban) \$50.00 GST Inclusive
- 6 hours after notification(rural) \$50.00 GST Inclusive

Subject to:

- not more than one feeder fault on the Distribution Network coincident with the Customer fault
- Force Majeure
- events caused by third parties excluding the Distributor's contractors or agents.

ii.) Restore supply, where it is lost as a consequence of a general network fault, within:

- 6 hours after fault notification (urban)
- 10 hours after fault notification(rural)

Load Group 1 connections (per customer affected) \$50.00 GST Inclusive

All other connections (per customer affected) one month's average line charges (GST inclusive)

Subject to:

- not more than two coincident feeder fault at any one time
- Force Majeure
- events caused by third parties excluding the Distributor's contractors or agents.

iii.) Customer request for livening new power supply:

- Approve livening of a compliant new connection

within five working days \$50.00 GST Inclusive

S2.2.3. The Distributor undertakes to provide the following services to the Retailer:

- provide a written acknowledgement to the Retailer of a Customer inquiry/complaint within 5 working days of advice of inquiry/complaint
- complete a formal investigation relating to a Customer inquiry/complaint within 10 working days of advice of inquiry/complaint

- provide a written report on the findings of an investigation within 5 working days of the completion of the investigation except when the matter is subject to the directions of the Distributor's insurers and advisors.

S2.2.4. The Distributor undertakes to pay the Retailer the following sums if the service standards specified below are not achieved in respect of notification of the interruption of Line Function Services:

- notification of individual planned interruptions to Line Function Services if it is of a non urgent nature 10 Business Days prior to the planned interruption

\$50.00 GST Inclusive

- Under urgent or emergency interruptions, Retailers will receive initial advice within 30 minutes and update as necessary.

\$50.00 GST Inclusive

S2.2.5. The Distributor shall publicly advertise planned interruptions to Line Function Services 5 working days prior to the planned interruption unless alternative arrangements for notification are made.

SCHEDULE 3. CUSTOMER NETWORK CONNECTION POINTS

As at [], the Customers' Network Connection Point connected to the Distribution Network are:

Name	Address	Network Connection Point Number	Load Group	Contracted Capacity	Capacity Limit	Winter Demand	Controlled Load	Start Date	Termination Date
		NCP		KVA	kVA	kVA			

SCHEDULE 4. RETAILER INFORMATION

In accordance with this provision of the Agreement the following information is supplied by the Retailer to the Distributor:

S4.1. Customer Network Connection Point

- a) Details of existing customers, and of new customers prior to connection in accordance with the requirements of this Agreement including postal address.
- b) Details of deleted or disconnected customers.

S4.2. Metering Equipment

- a) All information reasonably required to assist in the estimation of quantities of electricity during periods when the metering equipment is known to be not functioning or inaccurate.
- b) Information relevant to the possible interference with or damage to the Distributor's metering or load control equipment that comes to the notice of the Retailer.

S4.3. Metered and Customer Number Information

- a) In the case of Customer's served by the Retailer during the period covered, the quantity of electricity delivered monthly, (read and accrued), accumulated into the load charging groups, pricing options, and by assessed half hour profiles, by Grid exit point and with and without the Loss Factor applied.
- b) In the case of Customers served by the Retailer during the period covered, the quantity of electricity as read during the month, accumulated into load groups, pricing options, by grid exit point, without loss factors applied.
- c) For each Load Group 2, 3, 4, and 5 served by the Retailer during the period covered, the assessed monthly maximum anytime half hour demand and monthly maximum control period or winter demand and time.
- d) For each customer load charging group the number of Customers at the commencement of the month, Customers added, Customers deleted, and the number of Customers at month end.
- e) For each of the Distributors load charging groups the sum of capacities supplied and sum of demand capacities.
- f) For each Customer that the Retailer is providing the Distributor with active metering information (kVA), information reasonably required by Distributor from time to time to establish winter or anytime kVA related demands or is necessary for network planning..
- g) For each Load Group served by the Retailer a summary of information provided to the National Reconciliator each month.

S4.4. Load Information

- a) Forecasts of monthly controllable load connected, and electricity consumption quantities for each of the charging groups for the next 12 months updated every six months (April and September) after providing an initial estimate 30 days after Commencement Date.
- b) The location of unusual loads whose operation may affect the quality of supply to other customers.

S4.5. General

- a) The Annual Report and Financial Statement of the Retailer.
- b) Details of significant deterioration in the financial position of the Retailer likely to lead to the Retailer's insolvency or liquidation.
- c) Such details of the Retailer's contract with embedded generators as may affect any condition of this Agreement.
- d) Notification of Customers whose Power Factor is less than .95.
- e) Such other information as the Distributor may reasonably require for the performance of its obligations.

SCHEDULE 5. DISTRIBUTOR INFORMATION

In accordance with the provisions of this Agreement the following information shall be supplied by the Distributor to the Retailer.

S5.1. Metering Equipment

- a) Any available information relevant to the checking of Metering Equipment.
- b) Relevant information to assist in the estimation of quantities of electricity during periods when the Metering Equipment is known to be not functioning or inaccurate.
- c) Information relevant to the possible interference with or damage to the Retailer's Metering Equipment that comes to the notice of the Distributor.

S5.2. Customers

- a) Details of the location of Customers disconnected by the Distributor because of serious risk to life or property or because the Customer's Installation does not comply with the requirements of this Agreement.
- b) To the Incumbent Retailer, details of installations connected to the Distribution Network but not the subject of any agreement between the Distributor and the Retailer or the Distributor and any Other Retailer.

S5.3. Line Function Service

- a) Annual reports on performance against Performance Targets.
- b) Reports on failures to achieve the guaranteed Customer Service Performance Targets.
- c) Updated information concerning quality of supply annually or on request.
- d) Indication of maximum short-circuit fault levels appearing on Customer's switchboards on request.
- e) Reports on failures to meet Quality Standards.
- f) Notification of individual planned shutdowns.
- g) Reports of faults involving supply interruptions.
- h) Reports on the duration and Customer coverage of Load Control on request.
- i) All information relating to the Distributor's network as may be reasonably required by the Retailer.
- j) Asset Management Plan
- k) Network Description
- l) Risk Management and Security of Supply Plan

S5.4. Prices and Charges

- a) The full schedule of TPNZ Charges relating to the Distributor's Connection to the TPNZ network.
- b) Details of the Distributor's pricing strategies, policies and methodologies.
- c) Written notice of any proposed price variations together with appropriate explanations.

S5.5. General

- a) The Annual Report and Financial Statement of the Distributor.
- b) Such details of the Distributor's contract with TPNZ as may affect any condition of this agreement.
- c) All regulatory disclosure.

SCHEDULE 6. DISTRIBUTOR LIMITATION OF LIABILITY**S6.1. Liability Limitation**

- S6.1.1.** Any claims for loss arising from the Distributor's breach of its obligations under this Agreement must be lodged with the Distributor within two months of an event's occurrence.
- S6.1.2.** The Distributor (acting reasonably) may require claims to be substantiated in such manner as it determines.
- S6.1.3.** The maximum total liability of the Distributor to the Retailer in respect of a single event shall not exceed \$50,000. A series of breaches arising from the same event or circumstance shall be accepted by the parties as being a single event or circumstance of breach.
- S6.1.4.** The maximum liability of the Distributor to the Retailer and all Other Retailers under this agreement and use of system agreements with Other Retailers for all events or circumstances occurring in any twelve month period shall be \$1,000,000. This shall be apportioned between the Retailer and all applicable Other Retailers in such manner as the Retailer and those Other Retailers determine and advise the Distributor in writing.
- S6.1.5.** The maximum total liability of the Retailer to the Distributor in respect of a single event shall not exceed \$50,000. The maximum liability of the Retailer to the Distributor for all events or circumstances occurring in any twelve month period shall be \$1,000,000.