



# **GAS DISTRIBUTION PRICING SCHEDULE**

1 OCTOBER 2013

## Why have prices changed?

Powerco is regulated under the Commerce Commission Gas Distribution Services Default Price-Quality Path Determination 2013 (“the DPP”), which permits its allowable notional revenue, as defined by the DPP, to change in proportion to the movement in the Consumer Price Index (CPI) each year.

Once every five years the regulator resets the DPP by specifying the allowable notional revenue that will apply from the beginning of the next regulatory period and the minimum quality standards that the gas distribution businesses are required to achieve when operating and maintaining the gas network during the regulatory period. The requirements of the DPP are intended to provide the suppliers of regulated goods and services with sufficient incentives to innovate and invest, while limiting any ability to extract monopoly profits, and also to share with consumers the benefits of any efficiency gains achieved in the supply of the regulated goods and services. These objectives are promoted by simulating the outcomes produced by competitive markets. The pricing year commencing 1 October 2013 is a reset year.

The prices applied to the tariff groups on our distribution network are set in accordance with our pricing methodology, which ensures that the notional revenue does not exceed the allowable notional revenue defined by the DPP.

In the pricing year commencing 1 October 2013, we have continued to move toward more cost reflective tariffs and to slowly align the pricing for tariff groups across the different regions in our network. The pricing schedule attached shows the prices for each tariff group effective from 1 October 2013. For more information on the method applied to allocate our allowed revenue to the different tariff groups, please visit our pricing methodology for the current year.



## Gas Distribution Prices from 1 October 2013

This schedule provides gas distribution charges for Hawke's Bay, Manawatu and Horowhenua, Wellington, Hutt Valley and Porirua and Taranaki. Prices are effective from 1 October 2013.

### DISCLOSURE OF POWERCO'S NEW GAS DISTRIBUTION CHARGES EFFECTIVE 1 OCTOBER 2013

Powerco is required under clause 2.4.19 of the Gas Distribution Information Disclosure Determination 2012 to disclose the charges that make up the distribution part of your gas invoice.

Other gas network charges or conditions may also apply and this schedule should be read in conjunction with the full Powerco pricing schedule available on our website. All charges exclude GST (Goods and Services Tax). Powerco is not required to publicly disclose distribution charges if the number of estimated consumers by whom the charge is to be paid is less than five.

### SCHEDULE OF END-CONSUMER LOAD GROUP CHARGES (excluding GST)

End-Consumer load groups are specified below:

- G06 End-consumers with a load size of less than or equal to 10 scm/hr and an annual gas usage of less than 16GJ \*
- G11 End-consumers with a load size of less than or equal to 10 scm/hr and an annual gas usage equal to 16GJ or greater \*
- G12 End-consumers with a load size of greater than 10 scm/hr and less than or equal to 25 scm/hr
- G14 End-consumers with a load size of greater than 25 scm/hr and less than or equal to 60 scm/hr
- G16 End-consumers with a load size of greater than 60 scm/hr and less than or equal to 140 scm/hr
- G18 End-consumers with a load size of greater than 140 scm/hr and less than or equal to 200 scm/hr

\* An end-consumer who meets the criteria for the end-consumer load group G06 or G11 can choose which of these end-consumer groups it wants to belong to.

Hawkes Bay					
Load Group	Distribution Charges Effective 1 October 2013		Estimated number of consumers	Previous Charges	
	Fixed (\$/day)	Variable (\$/GJ)		Fixed (\$/day)	Variable (\$/GJ)
G06	\$0.0000	\$16.5371	1,224	\$0.0000	\$15.0627
G11	\$0.5445	\$4.6615	3,418	\$0.5001	\$4.4177
G12	\$1.0566	\$3.9630	148	\$0.9518	\$3.8188
G14	\$3.0977	\$3.3948	77	\$2.8002	\$3.1678
G16	\$3.8540	\$3.2119	69	\$3.3122	\$3.1121
G18	\$7.0734	\$3.2371	6	\$5.9088	\$3.0175

Manawatu & Horowhenua					
Load Group	Distribution Charges Effective 1 October 2013		Estimated number of consumers	Previous Charges	
	Fixed (\$/day)	Variable (\$/GJ)		Fixed (\$/day)	Variable (\$/GJ)
G06	\$0.0000	\$16.5757	5,662	\$0.0000	\$15.3419
G11	\$0.5445	\$4.7001	15,271	\$0.5001	\$4.5873
G12	\$1.1665	\$3.9976	315	\$1.0556	\$3.8528
G14	\$3.4688	\$3.8838	85	\$3.1998	\$3.7411
G16	\$4.5115	\$3.8252	74	\$4.1753	\$3.6477
G18	\$8.1828	\$3.3945	13	\$7.6102	\$3.2291

Wellington					
Load Group	Distribution Charges Effective 1 October 2013		Estimated number of consumers	Previous Charges	
	Fixed (\$/day)	Variable (\$/GJ)		Fixed (\$/day)	Variable (\$/GJ)
G06	\$0.0000	\$18.2766	7,716	\$0.0000	\$16.4619
G11	\$0.5495	\$6.0789	21,039	\$0.5001	\$5.9540
G12	\$0.8321	\$5.9468	389	\$0.7765	\$5.8231
G14	\$5.6291	\$5.7230	114	\$5.5315	\$5.6012
G16	\$8.1874	\$5.1125	68	\$7.9882	\$4.9961
G18	\$12.5911	\$4.9416	13	\$11.4142	\$4.8267

Hutt Valley & Porirua					
Load Group	Distribution Charges Effective 1 October 2013		Estimated number of consumers	Previous Charges	
	Fixed (\$/day)	Variable (\$/GJ)		Fixed (\$/day)	Variable (\$/GJ)
G06	\$0.0000	\$17.8325	5,027	\$0.0000	\$16.0170
G11	\$0.5495	\$5.8496	23,325	\$0.5001	\$5.5083
G12	\$0.7850	\$5.5231	596	\$0.6888	\$5.2471
G14	\$4.9854	\$5.6210	141	\$4.4926	\$5.1433
G16	\$8.1874	\$4.5370	42	\$7.9882	\$4.1772
G18	\$12.5804	\$4.3930	13	\$12.4219	\$4.0050

Taranaki					
Load Group	Distribution Charges Effective 1 October 2013		Estimated number of consumers	Previous Charges	
	Fixed (\$/day)	Variable (\$/GJ)		Fixed (\$/day)	Variable (\$/GJ)
G06	\$0.0000	\$15.7672	5,043	\$0.0000	\$14.7836
G11	\$0.5445	\$3.8893	12,556	\$0.5001	\$3.6071
G12	\$1.6882	\$3.3291	178	\$1.6251	\$3.1351
G14	\$3.9669	\$1.7170	120	\$3.8838	\$1.4833
G16	\$5.6144	\$1.6509	28	\$5.5169	\$1.4366
G18	\$9.1445	\$1.6058	16	\$9.0161	\$1.3956

Powerco is New Zealand's second largest electricity and gas distribution utility with around 420,000 consumers connected to its networks. Powerco's gas distribution networks are in Hawke's Bay, Manawatu and Horowhenua, Wellington, Hutt Valley and Porirua, and Taranaki. Its electricity networks are in the Western Bay of Plenty, Thames, Coromandel, Eastern and Southern Waikato Taranaki, Wanganui, Rangitikei, Manawatu and the Wairarapa.