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APPROVAL OF REFERENCE TARIFFS AND CHARGES FOR STANDARD NETWORK ACCESS SERVICES 1 JULY 2010 – 30 JUNE 2011

In accordance with clause 78(3) of the Electricity Networks (Third Party Access) Code ("the Code"), the Commission hereby approves the attached network tariffs and charges relating to the use of the Power and Water Corporation's prescribed electricity networks for the financial year commencing 1 July 2010.

In particular, as required under the 2009 Reset Final Determination (published in March 2009):

 the weighted average of the tariffs included in the schedule, expressed in index number form, complies with the constraint:

$$\mathsf{P}_{\mathsf{t}} \ \leq \ [\ (\mathsf{P}_{\mathsf{t}\text{-}1} \ ^* \ (\mathsf{1} \ + \ \mathsf{Po})) \ ^* \ (\ ^{\mathsf{CPI}_{\mathsf{t}\text{-}1}} /_{\mathsf{CPI}_{\mathsf{t}\text{-}2}}) \ ^* \ (\mathsf{1} \ - \ (\mathsf{X}_1 \ + \ \mathsf{X}_2 \ + \ \mathsf{X}_3))]$$

the weighted average tariff for each individual end-use customer complies with the CPI –
 X + Y side constraint applying in 2010-11;

In accordance with clause 72(3) of the Electricity Networks (Third Party Access) Code ("the Code"), the Commission hereby approves the attached schedule of Alternative Control Services - Fee-based Services and the attached pricing methodology for Alternative Control Services - Quoted Services relating to the use of the Power and Water Corporation's prescribed electricity networks for the financial year commencing 1 July 2010.

In the Commission's opinion, the approved tariffs and charges comply with the above requirements and with the relevant principles laid down in the Code.

The tariffs and charges approved for 2010-11 are the maximum that the Corporation can charge for standard network access services provided with respect to each electricity network.

The approved tariffs and charges are to take effect on 1 July 2010. The published pricing schedules may be expressed in GST-inclusive terms.

Power and Water's statement of expected network price trends can be viewed on the Commission's website, along with a summary of the Commission's analysis and supporting documentation.

Andrew Reeves Utilities Commissioner (for the Utilities Commission) May 2010