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DETERMINATION OF
NETWORK REVENUE CAPS
2002-03

In accordance with Clause 69 and Schedule 6 of the Network Access Code (“the Code”), the revenue caps to apply during the financial year commencing 1 July 2002 for each of the prescribed electricity networks operated by PAWA Networks are determined as set out in the following Table, and are based on the components and exclusions set out in the Annexure:

REVENUE CAPS^{1,2}	
2002-03	
	\$M
Northern ³	\$60.798
Alice Springs	\$10.550
Tennant Creek	\$3.101

¹ excludes the revenues to be recovered on account of the GST
² determined using the revenue caps applying during the financial year commencing 1 July 2001 and X factors as determined on 26 May 2000, and the 2002-03 percentage CPI change estimated by the Commission at 3.0%.
³ includes revenue for the interconnected Darwin and Katherine distribution systems and the Darwin to Katherine Transmission Line.

The rationale for this determination, as required by clause 64 of the Code, will be set out in a paper entitled “Revenue Determinations and Network Tariffs: 2002-03” to be issued in June following approval of the associated tariffs.

Alan Tregilgas
 Utilities Commissioner
 (for the Utilities Commission)
 17 April 2002

Annexure

REVENUE CAP DETERMINATION¹				
<i>\$million</i>	Darwin	Katherine	Alice Springs	Tennant Creek
Revenue Cap 2001-02	46.840	7.640	10.123	3.064
Price per unit ² (c/KWh)	4.97	4.22	5.40	7.68
Estimated additional energy sales 2002-03 ³ (GWh)	23.568	4.526	0.937	0.000
Projected impact of additional energy sales	1.171	0.191	0.051	0.000
New base MAR	48.011	7.831	10.174	3.064
CPI	3.00%	3.00%	3.00%	3.00%
X	4.30%	3.50%	-0.70%	1.80%
1 + (CPI - X)	98.70%	99.50%	103.70%	101.20%
Maximum Allowable Revenue 2002-03 (exclusive of DKTL)	47.387	7.792	10.550	3.101
Northern Region				
	55.179			
Darwin-Katherine Transmission Line ⁴	5.619			
Maximum Allowable Revenue 2002-03 (inclusive of DKTL)	60.798		10.550	3.101

¹ Exclusions are the items shown in the Excluded Services Determination for 1 April to 30 June 2000.

² Calculated by dividing the previous year's (2001-02) revenue cap by the previous year's total energy sales.

³ Based on energy sales growth rates of 2.5% for Darwin and Katherine, 2.0% for Alice Springs, and 0.0% for Tennant Creek.

⁴ Allowable revenue for the Darwin-Katherine Transmission Line is in line with the Commission's provisional determination detailed in its paper "Revenue Determinations: 2001-02" released in May 2001, and set out below:

Darwin-Katherine Transmission Line	
<i>\$million</i>	2002-03
Regulated Asset Base	38.714
Return on Capital	3.074
Return of Capital (Depreciation)	1.182
Return of Operating Costs	1.363
Maximum Allowable Revenue (=ΔCAP_{DKTL})	5.619

