

MainPower New Zealand Limited (“MainPower”)

Lines Business Price Path Threshold Compliance Statement

Price Path Threshold - Para 5(1)(a) **Commerce Act (Electricity Distribution Thresholds) Notice 2004**

Notional Revenue at 31 March 2005 is not to exceed the Allowable Notional Revenue under the CPI-X Price Path at 31 March 2005.

MainPower’s Notional Revenue at 31 March 2005 is not to exceed its Allowable Notional Revenue under the CPI-X Price Path at 31 March 2005 calculated in accordance with **Table A**.

MainPower’s Notional Revenue at 31 March 2005 is less than its Allowable Notional Revenue under the CPI-X Price Path at 31 March 2005 and therefore the Price Path Threshold is not breached.

Price Path Threshold - Para 5(1)(b) **Commerce Act (Electricity Distribution Thresholds) Notice 2004**

Notional Revenue at any time during the assessment period ended 31 March 2005 is not to exceed the greater of the Notional Revenue at 31 March 2005 and the Notional Revenue at 31 March 2004.

MainPower’s Notional Revenue at any time during the assessment period ended 31 March 2005 is not to exceed the greater of the Notional Revenue at 31 March 2005 and the Notional Revenue at 31 March 2004 calculated in accordance with **Table B**.

MainPower’s Notional Revenue at any time during the assessment period ended 31 March 2005 is less than the Notional Revenue at 31 March 2005 and 31 March 2004, therefore the Price Path Threshold is not breached.

Price Path Threshold - Further Information **Section 57U(1)(b) of the Commerce Act 1986**

Notional Revenue at any time during the assessment period ended 31 March 2005 is not to exceed either the Allowable Notional Revenue at 1 April 2004 or the Allowable Notional Revenue at 31 March 2005.

Notional Revenue at any time during the assessment period ended 31 March 2005 is not to exceed either the Allowable Notional Revenue at 1 April 2004 or the Allowable Notional Revenue at 31 March 2005 calculated in accordance with **Table C**.

MainPower’s Notional Revenue at any time during the assessment period ended 31 March 2005 does not exceed either the Allowable Notional Revenue at 1 April 2004 or the Allowable Notional Revenue at 31 March 2005 and therefore the Price Path Threshold is not breached.

Table A - Price Path Threshold - Para 5 (1)(a)

$$\begin{aligned}
 & \frac{NR_{2005}}{R_{2005}} \leq 1 \\
 & \frac{\sum P_{i,2005} Q_{i,2005} - K_{2005}}{R_{2004} [(1 + \Delta CPI_{2005} - 1) (1 - X)]} = \frac{\$25,995,324 - \$6,685,980}{(\$26,081,761 - \$5,803,051) (1.0229)(0.98)} \\
 & = \frac{\$19,309,344}{\$20,328,231} \\
 & = .9499 \\
 & = \leq 1
 \end{aligned}$$

Therefore Threshold not breached.

Notional Revenue - Revenue less pass-through costs.

Q_i - Base quantity for the year ended 31 March 2005 since MainPower has restructured its prices.

$\sum P_{i,2005} Q_{i,2005}$ - Revenue as at 31 March 2005 based on the new price structure applying from 31 March 2004 and the year ended 31 March 2005 quantities.
Being \$25,995,324 as per Appendix 1c.

K₂₀₀₅ - The sum of the transmission charges, rates and Electricity Commission levies for year ended 31 March 2005 as per Appendix 2.
Being \$6,685,980 as per Appendix 2

R₂₀₀₄ - The maximum notional revenue at 31 March 2004 which would not have caused the distribution business to breach the Price Path Threshold under the initial notice at that date, using the base quantities for the year ended 31 March 2005.

Being:
 Revenue at 31 March 2004 as per Appendix 1b \$26,081,761
 Less Pass-through Costs for year ended
 31 March 2004: 5,803,051
 \$20,278,710

X - 2% - as per Schedule 1 of the Commerce Act (Electricity Distribution Thresholds) Notice 2004.

ΔCPI_{2005} - 1.0229.

Table B - Price Path Threshold - Para 5 (1)(b)

<u>NR_{Max 01/04/04 – 31/03/05}</u>		≤	1
Max (NR ₂₀₀₄ , NR ₂₀₀₅)			
<u>∑P_{i, Max 2005} Q_{i,2005} - K₂₀₀₅</u>	=		<u>\$26,081,761⁽¹⁾ - \$6,685,980⁽²⁾</u>
Max (NR ₂₀₀₄ , NR ₂₀₀₅)			\$26,081,761 ⁽¹⁾ - \$5,803,051 ⁽²⁾
	=		<u>\$19,395,781</u>
			\$20,278,710
	=		.9565
		≤	1
Therefore Threshold not breached.			
⁽¹⁾ Revenue as per Appendix 1b			
⁽²⁾ Pass Through Costs as per Appendix 2			

Table C - Section 57U(1)(b) of the Commerce Act 1986

<u>NR_{Max 01/04/04 – 31/03/05}</u>		≤	1
ANR _{Max (01/04/04, 31/03/05)}			
<u>∑P_{i, Max 2005} Q_{i,2005} - K₂₀₀₅</u>	=		<u>\$26,081,761⁽¹⁾ - \$6,685,980⁽²⁾</u>
Max (ANR ₂₀₀₄ , ANR ₂₀₀₅)			Max (\$26,081,761 ⁽¹⁾ - \$5,803,051 ⁽²⁾), ((\$26,081,761 ⁽¹⁾ - \$5,803,051 ⁽²⁾) (1.0229 ⁽³⁾)(0.98 ⁽³⁾))
	=		<u>\$19,395,781</u>
			Max (\$20,278,710), (\$20,328,231)
	=		<u>\$19,395,781</u>
			\$20,328,231
	=		.9541
		≤	1
Therefore Threshold not breached.			
⁽¹⁾ Revenue as per Appendix 1b			
⁽²⁾ Pass Through Costs as per Appendix 2			
⁽³⁾ Refer Table A - X = 2% as per Schedule 1 of the Commerce Act (Electricity Distribution Thresholds) Notice 2004. Δ CPI ₂₀₀₅ = 1.0229.			

Restructuring of Prices

During the year ended 31 March 2005, MainPower has restructured its prices by:

- (i) Introducing low user options effective 1 October 2004; and
- (ii) Reducing the Night Special Fixed Charge from 30 cents per day to 15 cents per day effective 1 October 2004.

The Line Service Codes and Charges as at 1 October 2004 and 1 April 2004 are set out in Appendices 3a and 3b.

In accordance with Clause 5(2), if MainPower provides the Commission with evidence that the restructuring, of itself, did not create an increase in revenue for the Lines Business, then MainPower can calculate the Price Path Threshold as if the new price structure applied on and from the reference date, being 31 March 2004.

Actual Line Services Revenue for year ended 31 March (as per Appendix 1a)	26,016,625
Line Services Revenue for year ended 31 March 2005, using 1 April 2004 Tariff Rates and year ended 31 March 2005 quantities (as per Appendix 1b)	<u>26,081,761</u>
Decrease in Revenue resulting from Restructuring of Prices	<u>(65,136)</u>

The above summary and supporting schedules provide the evidence that the restructuring did not create an increase in revenue for the Lines Business.

Therefore MainPower can calculate the Price Path Threshold as if the new price structure applied on and from 31 March 2004.

Clauses 5(3) and 6(2) - Acquisition of the Network Assets of Kaiapoi Electricity Limited

MainPower acquired the Network Assets of Kaiapoi Electricity Limited on 1 July 2004. MainPower operated these assets during the ten-year period prior to 1 July 2004 and therefore, when preparing the Compliance Statements at the First Assessment Date and during the period from the First Assessment Date to the Second Assessment Date as defined in the Commerce Act (Electricity Lines Thresholds) Notice 2003, included the Price, Quality, Customer and other relevant information relating to the operation of Kaiapoi Electricity Limited's assets as if these assets formed part of MainPower's network.

As a result, the provisions of Clauses 5(3) and 6(2) do not apply to MainPower.

Notional Revenue

All Fixed and Variable Line Function Services have been included in the above calculation.

The following sources of revenue have been excluded from the calculation of Notional Revenue:

- Connection, Disconnection or Reconnection Services charged to Energy Retailers;
- The value of assets vested in MainPower by customers in the form of customer contributions;
- Non-conveyance revenues including interest, rents and profit on sale of assets.

Lines Business Quality Threshold Compliance Statement

Quality Threshold - Para 6(1)(a)

Interruption Duration - SAIDI

MainPower's SAIDI for the Assessment Period, the 12 month-period ended 31 March 2005, is not to exceed the five-year average SAIDI to 31 March 2003, calculated in accordance with the following table.

MainPower's SAIDI for the 12-month period ended on the Assessment Date, 31 March 2005 does not exceed MainPower's five-year average SAIDI and therefore complies with the Quality Threshold.

$SAIDI_{2005}$	\leq	$\left(\frac{SAIDI_{1999} + SAIDI_{2000} + SAIDI_{2001} + SAIDI_{2002} + SAIDI_{2003}}{5} \right)$
99.35	\leq	$\left(\frac{195.29_{1999} + 90.33_{2000} + 148.45_{2001} + 151.85_{2002} + 150.29_{2003}}{5} \right)$
99.35	\leq	147.24
The SAIDI for the 12 month period ended 31 March 2005 does not exceed the five-year average SAIDI, therefore the Quality Threshold is not breached.		

Quality Threshold - Para 6(1)(b)

Interruption Frequency - SAIFI

MainPower's SAIFI for the Assessment Period, the 12 month-period ended 31 March 2005, is not to exceed the five-year average SAIFI to 31 March 2003, calculated in accordance with the following table.

MainPower's SAIFI for the 12-month period ended on the Assessment Date, 31 March 2005, does not exceed MainPower's five-year average SAIFI and therefore complies with the Quality Threshold.

$SAIFI_{2005}$	\leq	$\left(\frac{SAIFI_{1999} + SAIFI_{2000} + SAIFI_{2001} + SAIFI_{2002} + SAIFI_{2003}}{5} \right)$
0.94	\leq	$\left(\frac{2.08_{1999} + 1.44_{2000} + 2.12_{2001} + 1.22_{2002} + 1.69_{2003}}{5} \right)$
0.94	\leq	1.71
The SAIFI for the 12 month period ended 31 March 2005 does not exceed the five-year average SAIFI, therefore the Quality Threshold is not breached.		

Quality Threshold - Para 6(1)(c)

Customer Information

MainPower must, at least once during the period of two years ending 31 March 2006:

- (i) Properly advise its customers about the price-quality trade offs available to them in relation to the goods and services provided by MainPower; and
- (ii) Consult with its customers about the quality of goods and services that they require, with reference to the prices of those goods and services; and
- (iii) Properly consider the views expressed by customers during and after that consultation; and
- (iv) Adequately take these views into account when making its asset management decisions.

The Commerce Commission is undertaking a review of the 2004 self-assessments by distribution businesses with a view to developing possible best practice criteria for customer communication on these matters.

MainPower has made a decision to await the outcome of the Commission's review and will properly advise and consult with its customers on the price-quality trade offs during the year ending 31 March 2006.

Information Requirements - Para 7(a)(iii)

Policies and procedures used by MainPower when recording the SAIDI and SAIFI statistics for the 12 months ended 31 March 2005.

Definitions

“Planned Interruption” means any interruption in respect of which at least 24 hours’ notice was given to the customers affected by the interruption.

“Prescribed Voltage Electric Line” means an electric line that is capable of conveying electricity at a voltage equal to or greater than 3.3 kilovolts.

“Unplanned Interruption” means any interruption in which less than 24 hours’ notice, or no notice, was given to the customers affected by the interruption.

Policy and Procedure - Inclusions and Exclusions

Only interruptions arising from incidents on Prescribed Voltage Electric Lines are included.

Voltage fluctuations and momentary interruptions of less than one minute are not included.

The operation of a single high voltage fuse supplying a three-phase transformer is excluded.

An interruption caused by the operation of 11kV fuses on transformers supplying up to three customers, is excluded.

Policy and Procedure - Recording of Statistics

Statistics are based on the actual number of customers at each distribution transformer and the actual number of customers at each 11kV feeder using the Company’s electronic outage management software/GE Network Solutions’ geographical information system.

The duration of a Planned Interruption including staging of disconnection and/or reconnection of supply, is recorded on an actual time basis.

The duration of an Unplanned Interruption including the staging of the associated reconnection of supply, is recorded on an actual time basis, i.e. from the time the supply is interrupted when this is initiated by MainPower without 24 hours’ notice being given, or from the time MainPower is first notified of the interruption.

Policy and Procedure - Internal Audit

Quality statistics are subject to internal audit.

Quality Statistics for the Assessment Period ended 31 March 2005

Interruption Class	Average Customer Connections	Classification of Interruptions	SAIDI		SAIFI	
			Customer Minutes	Minutes per Customer Connection	Number of Customer Interruptions	Interruptions per Customer
B		Planned	1,477,544	49.78	6,465	0.22
C		Unplanned	1,471,352	49.57	21,323	0.72
	29,683	Total	2,948,896	99.35	27,788	0.94

TO THE READERS OF THE THRESHOLD COMPLIANCE STATEMENTS OF MAINPOWER NEW ZEALAND LIMITED FOR THE ASSESSMENT PERIOD ENDED ON 31 MARCH 2005

We have examined the attached statement, which is a threshold compliance statement in respect of the price path and the quality threshold prepared by MainPower New Zealand Limited for assessment as at 31 March 2005 and dated 16 December 2005 for the purposes of information requirements set out in Clause 7 of the Commerce Act (Electricity Distribution Thresholds) Notice 2004 ("the Notice"). In this report the attached statement is called "the threshold compliance statement".

Directors' Responsibilities

Directors of MainPower New Zealand Limited are responsible for the certification of the threshold compliance statement in accordance with this Notice.

Auditor's Responsibilities

It is our responsibility to express an independent opinion (in the form prescribed in the Notice) on the threshold compliance statement and report our opinion to you.

We conducted our audit in accordance with the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand.

Basis of Opinion – Price Path Threshold; and Quality Threshold: SAIDI and SAIFI Statistics for the Assessment Period ended 31 March 2005

Our audit included examinations, on a test basis, of evidence relevant to the amounts and disclosures contained in the attached threshold compliance statement and which relate to:

- the price path threshold set out in clause 5 of the Notice; and
- the price path threshold requested under section 57(U)(1)(b) of the Commerce Act 1986; and
- the SAIDI and SAIFI statistics for the assessment period ended on 31 March 2005 which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice.

It also included assessment of the significant estimates and judgements, if any, made by MainPower New Zealand Limited in the preparation of the threshold compliance statement and assessment of whether the basis of preparation has been adequately disclosed.

We planned and performed our audit of the threshold compliance statement so as to obtain all the information and explanations which we considered necessary, including for the purpose of obtaining sufficient evidence to give reasonable assurance that the threshold compliance statement is free from material misstatements (whether caused by fraud or error). In forming our opinion we also evaluated the overall adequacy of the presentation of information in the threshold compliance statement.

Basis of Opinion – Quality Threshold: SAIDI and SAIFI Statistics for the Years Ended 31 March 1999, 2000, 2001, 2002 and 2003.

In relation to the SAIDI and SAIFI statistics for the years ended 31 March 1999, 2000, 2001, 2002 and 2003 which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice, we have undertaken procedures to provide reasonable assurance that:

- the amounts and disclosures in the threshold compliance statement relating to those statistics have been correctly taken from the information disclosed by MainPower New Zealand Limited in accordance with the Electricity (Information Disclosure) regulations 1999; and
- those statistics have been calculated based on the source data provided to us. We have not performed audit procedures on the source data.

Relationship and Interests

We have no relationship with or interests in MainPower New Zealand Limited other than in our capacity as auditor and the provision of advisory services. We are not aware of any relationships between our firm and MainPower New Zealand Limited that, in our professional judgement, may reasonably be thought to impair our independence.

Opinions

We have obtained all the information and explanations we have required.

Price Path Threshold

In our opinion, having made all reasonable enquiry, to the best of our knowledge the amounts or details set out in the threshold compliance statement relating to the price path threshold set out in clause 5 of the Notice and as requested under section 57(U)(1)(b) of the Commerce Act 1986 and related information have been prepared in accordance with the Notice or the request, and give a true and fair view of the performance of MainPower New Zealand Limited against those thresholds for the assessment period ended on 31 March 2005.

Quality Threshold: SAIDI and SAIFI Statistics

In our opinion, having made all reasonable enquiry, to the best of our knowledge:

- a) the SAIDI and SAIFI statistics for the assessment period ended on 31 March 2005 which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice and related information have been calculated or prepared in accordance with the Notice and in accordance with MainPower New Zealand Limited's policies and procedures for recording SAIDI and SAIFI statistics as disclosed in the threshold compliance statement, and fairly represent the performance of MainPower New Zealand Limited for the assessment period ended on 31 March 2005;
- b) the SAIDI and SAIFI statistics for the years ended 31 March 1999, 2000, 2001, 2002 and 2003, which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice, have been correctly taken from the information disclosed by MainPower New Zealand Limited in accordance with the Electricity (Information Disclosure) Regulations 1999. Those statistics have been properly calculated based on the unaudited source data provided to us by MainPower New Zealand Limited;
- c) the SAIDI and SAIFI statistics for the assessment period ended on 31 March 2005, together with the SAIDI and SAIFI statistics for the years ended 31 March 1999, 2000, 2001, 2002 and 2003, give a true and fair view of the performance of MainPower New Zealand Limited against those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice for the assessment period ended on 31 March 2005.

Our audit was completed on 16 December 2005 and our opinion is expressed as at that date.



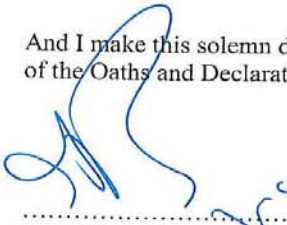
Christchurch, New Zealand
16 December 2005

**FORM OF STATUTORY DECLARATION IN RESPECT OF
FURTHER INFORMATION REQUESTED BY THE
COMMERCE COMMISSION**

I, Allan Berge, of 23 Belmont Avenue, Rangiora, being a director of MainPower New Zealand Limited, solemnly and sincerely declare that having made all reasonable enquiry, to the best of my knowledge and belief, the information attached to this declaration -

- a) is the information relating to the Third Assessment Threshold Compliance Statement demonstrating that the notional revenue at any time during the assessment period was not higher than either the allowable notional revenue at 1 April 2004 or on 31 March 2005, that was requested by the Commerce Commission on 9 November 2005 under section 57U(1)(b) of the Commerce Act 1986; and
- b) contains all the information in respect of a) in the possession, or under the control, of MainPower New Zealand Limited that relates to that request.

And I make this solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.


.....
ALLAN BERGE

Declared at Rangiora this 19th day of December 2005.

before: 
.....

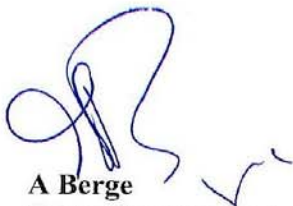
**B. R. HASBALL
RANGIORA
JUSTICE OF THE PEACE
FOR NEW ZEALAND**

**CERTIFICATION
OF THRESHOLD COMPLIANCE STATEMENT**

We, Wynton Gill Cox and Allan Berge, being directors of MainPower New Zealand Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached Threshold Compliance Statement of MainPower New Zealand Limited, and related information, prepared for the purposes of the Commerce Act (Electricity Distribution Thresholds) Notice 2004 complies with the requirements of that notice.



W G Cox
Director (Chairman)



A Berge
Managing Director

Dated 16/12/2005

MainPower New Zealand Limited

Appendix 1a

Summary - Actual Line Services Revenue year ended 31 March 2005

Excludes GST

	Tariff Codes	Distribution		Trans	Total	Total	Distribution Revenue		Trans	Total	Calculated
		Fixed	Variable	Tariff	Tariff	Actual	Fixed	Variable	Revenue	Revenue	Tariff
		Cents Per day	Cents per kWh	Cents per kWh	Cents per kWh	Cust/kWs Days/ kWhs	\$	\$	\$	\$	Cents/day
Mainpower ICPs											
Fixed Charges											
Residential Controlled Supply	101, 129,	15,000				7,092,360	1,063,854			1,063,854	15,000
Residential Controlled Supply - Low User Option From 1 October 2004	111	15,000				169,593	25,439			25,439	15,000
Residential Uncontrolled Supply	102	60,000				212,798	127,679			127,679	60,000
Residential Uncontrolled Supply - Low User Option From 1 October 2004	112	15,000				21,520	3,228			3,228	15,000
Residential Night Special Pre 1 October 2004	103	30,000				468,926	140,678			140,678	30,000
Residential Night Special From 1 October 2004	103	15,000				462,447	69,367			69,367	15,000
Residential Night Special - Low User Option From 1 October 2004	113	0,000				7,980	0			0	0,000
Industrial, Commercial, Farming, Community	121, 123, 130, 131	50,000				1,612,318	806,159			806,159	50,000
Temporary Supply	122	200,000				67,588	135,176			135,176	200,000
Irrigation Per kW Connected	124	2,000				8,809,832	176,197			176,197	2,000
Council Pumping	125	15,000				47,559	7,134			7,134	15,000
CHH Panels Mill (100% Fixed Distribution Line Charge)	0	60624.658				365	221,280			221,280	60,624.658
Variable Charges											
Residential Uncontrolled Supply - Low User Option From 1 October 2004	112		6.837	1.520	8.357	0	0	0	0	0	0,000
Residential Night Special Pre 1 October 2004	103		2.500	0.000	2.500	5,496,847	137,421	0	0	137,421	2,500
Residential Night Special From 1 October 2004	103		3.567	0.000	3.567	2,482,882	88,564	0	0	88,564	3,567
All Other Supply	101, 102, 113, 121, 123, 124, 125, 126, 127, 128, 129, 130, 131										
CHH Panels Mill Transmission Charge Only, Based on actual cost	0		4.784	1.520	6.304	329,541,067	15,408,351	5,009,024	20,417,375	769,615	6,196
			0.000	Actual	Actual	72,450,531	0	769,615	769,615		Actual
MainPower - Total Distribution and Transmission Line Revenue						409,971,327	2,776,190	15,634,337	5,778,639	24,189,166	5,900
* Includes Volume Discount of \$357,313											
Kaipoi Electricity ICPs											
Fixed Charges											
Residential Controlled Supply	201, 229	15,000				856,597	128,490			128,490	15,000
Residential Controlled Supply - Low User Option From 1 October 2004	211	15,000				41,466	6,220			6,220	15,000
Residential Uncontrolled Supply	202	60,000				13,623	8,174			8,174	60,000
Residential Uncontrolled Supply - Low User Option From 1 October 2004	212	15,000				440	66			66	15,000
Residential Night Special Pre 1 October 2004	203	30,000				64,506	19,352			19,352	30,000
Residential Night Special From 1 October 2004	203	15,000				64,411	9,662			9,662	15,000
Residential Night Special - Low User Option From 1 October 2004	213	0,000				6,930	0			0	0,000
Industrial, Commercial, Farming, Community	221, 223, 230, 231	50,000				115,568	57,784			57,784	50,000
Temporary Supply	222	200,000				2,637	5,274			5,274	200,000
Council Pumping	225	15,000				4,864	730			730	15,000
Variable Charges											
Residential Uncontrolled Supply - Low User Option From 1 October 2004	212		4.437	1.768	6.205	0	0	0	0	0	0,000
Residential Night Special Pre 1 October 2004	203		1.376	0.000	1.376	603,226	8,300	0	0	8,300	1,376
Residential Night Special From 1 October 2004	203		1.415	0.000	1.415	291,165	4,120	0	0	4,120	1,415
All Other Supply	201, 202, 213, 221, 223, 225, 226, 227, 228, 229, 230, 231										
			2.384	1.768	4.152	35,502,646	762,007	627,687	1,389,694		3,914
Kaipoi Electricity - Total Distribution and Trans Line Revenue						36,397,037	235,750	774,428	627,687	1,637,865	4,500
* Includes Volume Discount of \$84,376											
Wigram ICPs											
Fixed Charges											
Residential Controlled Supply	301, 329	15,000				48,291	7,244			7,244	15,000
Residential Controlled Supply - Low User Option From 1 October 2004	311	15,000				3,052	458			458	15,000
Residential Uncontrolled Supply	302	60,000				3,362	2,017			2,017	60,000
Residential Uncontrolled Supply - Low User Option From 1 October 2004	312	15,000				0	0			0	0,000
Residential Night Special Pre 1 October 2004	303	30,000				1,307	392			392	30,000
Residential Night Special From 1 October 2004	303	20,000				1,168	234			234	20,000
Residential Night Special - Low User Option From 1 October 2004	313	0,000				0	0			0	0,000
Industrial, Commercial, Farming, Community	321, 323, 330, 331	50,000				10,543	5,272			5,272	50,000
Temporary Supply	322	200,000				176	352			352	200,000
Council Pumping	325	15,000				0	0			0	0,000
Variable Charges											
Residential Uncontrolled Supply - Low User Option From 1 October 2004	313		4.553	2.890	7.443	0	0	0	0	0	0,000
Residential Night Special Pre 1 October 2004	303		1.500	0.000	1.500	9,232	139	0	0	139	1,500
Residential Night Special From 1 October 2004	303		1.740	0.000	1.740	2,356	41	0	0	41	1,740
All Other Supply	301, 302, 313, 321, 323, 325, 326, 327, 328, 329, 330, 331										
			2.500	2.890	5.390	3,218,165	80,454	92,992	173,446		5,390
Wigram Network - Total Distribution and Trans Line Revenue						3,229,753	15,968	80,634	92,992	189,594	5,870
Total Distribution and Trans Line Revenue						449,598,117	3,027,908	16,489,398	6,499,318	26,016,625	5,787

MainPower New Zealand Limited

Appendix 1b

Summary - Line Services Revenue at 1 April 2004 Rates, year ended 31 March 2005 Quantities

Excludes GST

	Tariff Codes	Distribution		Trans Cents per kWh	Total Cents per kWh	Total Cust/kWs Days/ kWhs	Distribution Revenue		Trans Revenue	Total Revenue	Calculated Tariff
		Fixed Cents Per day	Variable Cents per kWh				Fixed	Variable			
Mainpower ICPS											
Fixed Charges											
Residential Controlled Supply	101, 129,	15.000				7,261,953	1,089,293			1,089,293	15.000
Residential Uncontrolled Supply	102	60.000				234,318	140,591			140,591	60.000
Residential Night Special	103	30.000				939,352	281,806			281,806	30.000
Industrial, Commercial, Farming, Community	121, 123, 130, 131	50.000				1,612,318	806,159			806,159	50.000
Temporary Supply	122	200.000				67,588	135,176			135,176	200.000
Irrigation Per kW Connected	124	2.000				8,809,832	176,197			176,197	2.000
Council Pumping	125	15.000				47,559	7,134			7,134	15.000
CHH Panels Mill (100% Fixed Distribution Line Charge)	0	60624.658				365	221,280			221,280	60,624.658
Variable Charges											
Residential Night Special	103		2.500	0.000	2.500	8,009,909	200,248	0	200,248	200,248	2.500
All Other Supply	101, 102, 113, 121, 123, 124, 125, 126, 127, 128, 129, 130, 131		4.784	1.520	6.304	329,510,887	15,406,488	5,008,565	20,415,053	20,415,053	6.196
CHH Panels Mill Transmission Charge Only. Based on actual cost	0		0.000	Actual	Actual	72,450,531	0	769,615	769,615	769,615	Actual
MainPower - Total Distribution and Transmission Line Revenue						409,971,327	2,857,635	15,606,736	5,778,181	24,242,551	5.913
* Includes Volume Discount of \$357,313											
Kaipoi Electricity ICPS											
Fixed Charges											
Residential Controlled Supply	201, 229	15.000				898,063	134,709			134,709	15.000
Residential Uncontrolled Supply	202	60.000				14,063	8,438			8,438	60.000
Residential Night Special	203	30.000				135,847	40,754			40,754	30.000
Industrial, Commercial, Farming, Community	221, 223, 230, 231	50.000				115,568	57,784			57,784	50.000
Temporary Supply	222	200.000				2,637	5,274			5,274	200.000
Council Pumping	225	15.000				4,864	730			730	15.000
Variable Charges											
Residential Night Special	203		1.376	0.000	1.376	901,050	12,398	0	12,398	12,398	1.376
All Other Supply	201, 202, 213, 221, 223, 225, 226, 227, 228, 229, 230, 231		2.384	1.768	4.152	35,495,987	761,848	627,569	1,389,417	1,389,417	3.914
Kaipoi Electricity - Total Distribution and Trans Line Revenue						36,397,037	247,689	774,247	627,569	1,649,505	4.532
* Includes Volume Discount of \$84,376											
Wigram ICPS											
Fixed Charges											
Residential Controlled Supply	301, 329	15.000				51,343	7,701			7,701	15.000
Residential Uncontrolled Supply	302	60.000				3,362	2,017			2,017	60.000
Residential Night Special	303	30.000				2,475	743			743	30.000
Industrial, Commercial, Farming, Community	321, 323, 330, 331	50.000				10,543	5,272			5,272	50.000
Temporary Supply	322	200.000				176	352			352	200.000
Council Pumping	325	15.000				0	0			0	0.000
Variable Charges											
Residential Night Special	303		1.500	0.000	1.500	11,588	174	0	174	174	1.500
All Other Supply	301, 302, 313, 321, 323, 325, 326, 327, 328, 329, 330, 331		2.500	2.890	5.390	3,218,165	80,454	92,992	173,446	173,446	5.390
Wigram Network - Total Distribution and Trans Line Revenue						3,229,753	16,085	80,628	92,992	189,705	5.874
Total Distribution and Trans Line Revenue						449,598,117	3,121,409	16,461,610	6,498,742	26,081,761	5.801

MainPower New Zealand Limited

Appendix 1c

Summary - Line Services Revenue at 31 March 2005 Rates, year ended 31 March 2005 Quantities.

Excludes GST

	Tariff Codes	Distribution		Trans Cents per kWh	Total Cents per kWh	Actual Cust/kWhs Days/ kWhs	Distribution Revenue		Trans Revenue	Total Revenue	Calculated Tariff
		Fixed	Variable				Fixed	Variable			
		Tariff Cents Per day	Tariff Cents per kWh				\$	\$			
Mainpower ICPs											
Fixed Charges											
Residential Controlled Supply	101, 129,	15,000				7,092,360	1,063,854	\$	\$	1,063,854	15,000
Residential Controlled Supply - Low User Option From 1 October 2004	111	15,000				169,593	25,439			25,439	15,000
Residential Uncontrolled Supply	102	60,000				212,796	127,679			127,679	60,000
Residential Uncontrolled Supply - Low User Option From 1 October 2004	112	15,000				21,520	3,228			3,228	15,000
Residential Night Special Pre 1 October 2004 at 1 October 04 Rates	103	15,000				468,926	70,339			70,339	15,000
Residential Night Special From 1 October 2004	103	15,000				482,447	69,367			69,367	15,000
Residential Night Special - Low User Option From 1 October 2004	113	0,000				7,980	0			0	0,000
Industrial, Commercial, Farming, Community	121, 123, 130, 131	50,000				1,612,318	806,159			806,159	50,000
Temporary Supply	122	200,000				67,588	135,176			135,176	200,000
Irrigation Per kW Connected	124	2,000				8,809,832	176,197			176,197	2,000
Council Pumping	125	15,000				47,559	7,134			7,134	15,000
CHH Panels Mill (100% Fixed Distribution Line Charge)	0	60624.658				365	221,280			221,280	60,624.658
Variable Charges											
Residential Uncontrolled Supply - Low User Option From 1 October 2004	112		6.837	1.520	8.357	0	0	0	0	0	0.000
Residential Night Special Pre 1 October 2004 at 1 October 04 Rates	103		3.567	0.000	3.567	5,496,847	196,073	0	0	196,073	3.567
Residential Night Special From 1 October 2004	103		3.567	0.000	3.567	2,482,882	88,564	0	0	88,564	3.567
All Other Supply	101, 102, 113, 121, 123, 124, 125, 126, 127, 128, 129, 130, 131										
CHH Panels Mill Transmission Charge Only. Based on actual cost	0		4.784	1.520	6.304	329,541,067	15,408,351	5,009,024	20,417,375	769,615	6.196
			0.000	Actual	Actual	72,450,531	0	769,615	0	769,615	Actual
MainPower - Total Distribution and Transmission Line Revenue						409,971,327	2,705,851	15,692,988	5,778,639	24,177,479	5.897
* Includes Volume Discount of \$357,313											
Kaipoi Electricity ICPs											
Fixed Charges											
Residential Controlled Supply	201, 229	15,000				856,597	128,490			128,490	15,000
Residential Controlled Supply - Low User Option From 1 October 2004	211	15,000				41,466	6,220			6,220	15,000
Residential Uncontrolled Supply	202	60,000				13,623	8,174			8,174	60,000
Residential Uncontrolled Supply - Low User Option From 1 October 2004	212	15,000				440	66			66	15,000
Residential Night Special Pre 1 October 2004 at 1 October 04 Rates	203	15,000				64,506	9,676			9,676	15,000
Residential Night Special From 1 October 2004	203	15,000				64,411	9,662			9,662	15,000
Residential Night Special - Low User Option From 1 October 2004	213	0,000				6,930	0			0	0,000
Industrial, Commercial, Farming, Community	221, 223, 230, 231	50,000				115,568	57,784			57,784	50,000
Temporary Supply	222	200,000				2,637	5,274			5,274	200,000
Council Pumping	225	15,000				4,864	730			730	15,000
Variable Charges											
Residential Uncontrolled Supply - Low User Option From 1 October 2004	212		4.437	1.768	6.205	0	0	0	0	0	0.000
Residential Night Special Pre 1 October 2004 at 1 October 04 Rates	203		1.415	0.000	1.415	603,226	8,536	0	0	8,536	1.415
Residential Night Special From 1 October 2004	203		1.415	0.000	1.415	291,165	4,120	0	0	4,120	1.415
All Other Supply	201, 202, 213, 221, 223, 225, 226, 227, 228, 229, 230, 231										
			2.384	1.768	4.152	35,502,646	762,007	627,687	1,389,694		3.914
Kaipoi Electricity - Total Distribution and Trans Line Revenue						36,397,037	226,074	774,663	627,687	1,628,425	4.474
* Includes Volume Discount of \$84,376											
Wigram ICPs											
Fixed Charges											
Residential Controlled Supply	301, 329	15,000				48,291	7,244			7,244	15,000
Residential Controlled Supply - Low User Option From 1 October 2004	311	15,000				3,052	458			458	15,000
Residential Uncontrolled Supply	302	60,000				3,362	2,017			2,017	60,000
Residential Uncontrolled Supply - Low User Option From 1 October 2004	312	15,000				0	0			0	0,000
Residential Night Special Pre 1 October 2004 at 1 October 04 Rates	303	15,000				1,307	196			196	15,000
Residential Night Special From 1 October 2004	303	20,000				1,168	234			234	20,000
Residential Night Special - Low User Option From 1 October 2004	313	0,000				0	0			0	0,000
Industrial, Commercial, Farming, Community	321, 323, 330, 331	50,000				10,543	5,272			5,272	50,000
Temporary Supply	322	200,000				176	352			352	200,000
Council Pumping	325	15,000				0	0			0	0,000
Variable Charges											
Residential Uncontrolled Supply - Low User Option From 1 October 2004	313		4.553	2.890	7.443	0	0	0	0	0	0.000
Residential Night Special Pre 1 October 2004 at 1 October 04 Rates	303		1.740	0.000	1.740	9,232	161	0	0	161	1.744
Residential Night Special From 1 October 2004	303		1.740	0.000	1.740	2,356	41	0	0	41	1.740
All Other Supply	301, 302, 313, 321, 323, 325, 326, 327, 328, 329, 330, 331										
			2.500	2.890	5.390	3,218,165	80,454	92,992	173,446		5.390
Wigram Network - Total Distribution and Trans Line Revenue						3,229,753	15,772	80,656	92,992	189,420	5.865
Total Distribution and Trans Line Revenue						449,598,117	2,947,698	16,548,308	6,499,318	25,995,324	5.782

Mainpower New Zealand Limited

Appendix 2

TransPower Transmission Charges.

Year Ended 31 March 2004	\$
New Investment Charge	190,319
Connection Charge	2,702,563
Interconnection Charge	3,955,093
Economic Value Adjustment	658,092
Transition Adjustment	342,152
Sub Total	5,847,731
Transmission Rentals	702,652
Ancillary Charges	447,682
Wigram	89,333
Total Transmission Cost	5,682,094
Year Ended 31 March 2005	\$
New Investment Charge	0
Connection Charge	2,698,157
Interconnection Charge	4,085,435
Economic Value Adjustment	0
Transition Adjustment	0
Sub Total	6,783,592
Transmission Rentals	381,887
Ancillary Charges	0
Wigram	102,357
Total Transmission Cost	6,504,062
Increase(Decrease)	821,968
Local Body Rates	
\$	
Year Ended 31 March 2004	120,957
Year Ended 31 March 2005	126,358
Increase(Decrease)	5,401
Electricity Commission Levies	
\$	
Year Ended 31 March 2004	0
Year Ended 31 March 2005	55,560
Increase(Decrease)	55,560
Total Year Ended 31 March 2004	5,803,051
Total Year Ended 31 March 2005	6,685,980
Total Increase(Decrease)	882,929

MainPower New Zealand Limited
Line Service Codes and Charges 1 October 2004

Appendix 3a

Excluding GST and After the 10% Prompt Payment Discount is Applied

MainPower ICPs Customer Class	Fixed Charge		Distribution		Transmission		Total	
	Code	cents/day	Code	cents/kWh	Code	cents/kWh	Code	cents/kWh
Residential - Options								
Controlled Supply	101 0	15.000	101 1	4.784	101 5	1.520	101 9	6.304
Controlled Supply Low User Option -From 1 Oct 2004	111 0	15.000	111 1	4.784	111 5	1.520	111 9	6.304
Uncontrolled Supply	102 0	60.000	102 1	4.784	102 5	1.520	102 9	6.304
Uncontrolled Supply Low user Option -From 1 Oct 2004	112 0	15.000	112 1	6.837	112 5	1.520	112 9	8.357
Night Special - From 1 Oct 2004	103 0	15.000	103 1	3.567	103 5	0.000	103 9	3.567
Night Special Low User Option - From 1 Oct 2004	113 0	0.000	113 1	4.784	113 5	1.520	113 9	6.304
Other Supply								
Industrial, Commercial, Farming, Community	121 0	50.000	121 1	4.784	121 5	1.520	121 9	6.304
Temporary Supply	122 0	200.000	122 1	0.000	122 5	0.000	122 9	0.000
Irrigation Per kW Connected	124 0	2.000	124 1	4.784	124 5	1.520	124 9	6.304
Council Pumping	125 0	15.000	125 1	4.784	125 5	1.520	125 9	6.304
Street Lighting	126 0	0.000	126 1	4.784	126 5	1.520	126 9	6.304
Right of Way lighting	127 0	0.000	127 1	4.784	127 5	1.520	127 9	6.304
Under Verandah lighting	128 0	0.000	128 1	4.784	128 5	1.520	128 9	6.304
Kaiapoi Electricity ICPs								
Residential - Options								
Controlled Supply	201 0	15.000	201 1	2.384	201 5	1.768	201 9	4.152
Controlled Supply Low User Option -From 1 Oct 2004	211 0	15.000	211 1	2.384	211 5	1.768	211 9	4.152
Uncontrolled Supply	202 0	60.000	202 1	2.384	202 5	1.768	202 9	4.152
Uncontrolled Supply Low user Option -From 1 Oct 2004	212 0	15.000	212 1	4.437	212 5	1.768	212 9	6.205
Night Special - From 1 Oct 2004	203 0	15.000	203 1	1.415	203 5	0.000	203 9	1.415
Night Special Low User Option - From 1 Oct 2004	213 0	0.000	213 1	2.384	213 5	1.768	213 9	4.152
Other Supply								
Industrial, Commercial, Farming, Community	221 0	50.000	221 1	2.384	221 5	1.768	221 9	4.152
Temporary Supply	222 0	200.000	222 1	0.000	222 5	0.000	222 9	0.000
Council Pumping	225 0	15.000	225 1	2.384	225 5	1.768	225 9	4.152
Street Lighting	226 0	0.000	226 1	2.384	226 5	1.768	226 9	4.152
Right of Way lighting	227 0	0.000	227 1	2.384	227 5	1.768	227 9	4.152
Under Verandah lighting	228 0	0.000	228 1	2.384	228 5	1.768	228 9	4.152
Wigram ICPs								
Residential - Options								
Controlled Supply	301 0	15.000	301 1	2.500	301 5	2.890	301 9	5.390
Controlled Supply Low User Option -From 1 Oct 2004	311 0	15.000	311 1	2.500	311 5	2.890	311 9	5.390
Uncontrolled Supply	302 0	60.000	302 1	2.500	302 5	2.890	302 9	5.390
Uncontrolled Supply Low user Option -From 1 Oct 2004	312 0	15.000	312 1	4.553	312 5	2.890	312 9	7.443
Night Special - From 1 Oct 2004	303 0	20.000	303 1	1.740	303 5	0.000	303 9	1.740
Night Special Low User Option - From 1 Oct 2004	313 0	0.000	313 1	2.500	313 5	2.890	313 9	5.390
Other Supply								
Industrial, Commercial, Farming, Community	321 0	50.000	321 1	2.500	321 5	2.890	321 9	5.390
Temporary Supply	322 0	200.000	322 1	0.000	322 5	0.000	322 9	0.000
Street Lighting	326 0	0.000	326 1	2.500	326 5	2.890	326 9	5.390

Note

- The Fixed Line Charge component of a Contract for the supply of Line Services is for a minimum 12 month period.
- A Fixed Line Charge waiver may apply in certain circumstances. i.e. when approved in writing by MainPower.

Residential

- Storage water heating must be subject to control in order to qualify for Residential Controlled and/or Night Special Supply.
MainPower reserves the right to waive this requirement under special circumstances.
- Night Special is available for approved fixed wired storage water heating, storage space heating and other approved systems.
Supply of Night Special is limited to a maximum of 8 hours between 9.30pm and 7.30 am. Storage water heating is subject to control.
The Fixed Charge for Residential Controlled Supply coupled with Night Special is 30.00 cents per day excluding GST and after Prompt Payment Discount, (Low User Option 15.00 cents per day).

Other Supply

- The above Line Service rates for "Other Supply" customers assume that storage water heating and water storage for pumping purposes is controllable by MainPower.
MainPower reserves the right to waive this requirement under special circumstances.
MainPower also reserves the right to charge a higher fixed charge where a waiver is not approved and the customer requests Uncontrolled Supply.
MainPower also reserves the right to charge a higher fixed charge where Power Factor Correction requirements are not maintained.
- Large user customers, i.e. customers consuming over 500,000 units per annum, may qualify for a volume discount.
The level of discount is subject to negotiation between MainPower and each individual customer.
MainPower will take into account a customers load characteristics and other relevant circumstances.
- An Other Supply "Night Special" may be made available to Other Supply customers in certain circumstances.
Availability of Night Special is subject to negotiation between MainPower and the customers concerned.

MainPower New Zealand Limited

Line Service Codes and Charges 1 April 2004

Appendix 3b

Excluding GST and After the 10% Prompt Payment Discount is Applied

MainPower ICPs Customer Class	Fixed Charge		Distribution		Transmission		Total	
	Code	cents/day	Code	cents/kWh	Code	cents/kWh	Code	cents/kWh
Residential - Options								
Controlled Supply	101 0	15.000	101 1	4.784	101 5	1.520	101 9	6.304
Uncontrolled Supply	102 0	60.000	102 1	4.784	102 5	1.520	102 9	6.304
Night Special	103 0	30.000	103 1	2.500	103 5	0.000	103 9	2.500
Other Supply								
Industrial, Commercial, Farming, Community	121 0	50.000	121 1	4.784	121 5	1.520	121 9	6.304
Temporary Supply	122 0	200.000	122 1	0.000	122 5	0.000	122 9	0.000
Irrigation Per kW Connected	124 0	2.000	124 1	4.784	124 5	1.520	124 9	6.304
Council Pumping	125 0	15.000	125 1	4.784	125 5	1.520	125 9	6.304
Street Lighting	126 0	0.000	126 1	4.784	126 5	1.520	126 9	6.304
Right of Way lighting	127 0	0.000	127 1	4.784	127 5	1.520	127 9	6.304
Under Verandah lighting	128 0	0.000	128 1	4.784	128 5	1.520	128 9	6.304
Kaipoi Electricity ICPs								
Residential - Options								
Controlled Supply	201 0	15.000	201 1	2.384	201 5	1.768	201 9	4.152
Uncontrolled Supply	202 0	60.000	202 1	2.384	202 5	1.768	202 9	4.152
Night Special	203 0	30.000	203 1	1.376	203 5	0.000	203 9	1.376
Other Supply								
Industrial, Commercial, Farming, Community	221 0	50.000	221 1	2.384	221 5	1.768	221 9	4.152
Temporary Supply	222 0	200.000	222 1	0.000	222 5	0.000	222 9	0.000
Council Pumping	225 0	15.000	225 1	2.384	225 5	1.768	225 9	4.152
Street Lighting	226 0	0.000	226 1	2.384	226 5	1.768	226 9	4.152
Right of Way lighting	227 0	0.000	227 1	2.384	227 5	1.768	227 9	4.152
Under Verandah lighting	228 0	0.000	228 1	2.384	228 5	1.768	228 9	4.152
Wigram ICPs								
Residential - Options								
Controlled Supply	301 0	15.000	301 1	2.500	301 5	2.890	301 9	5.390
Uncontrolled Supply	302 0	60.000	302 1	2.500	302 5	2.890	302 9	5.390
Night Special	303 0	30.000	303 1	1.500	303 5	0.000	303 9	1.500
Other Supply								
Industrial, Commercial, Farming, Community	321 0	50.000	321 1	2.500	321 5	2.890	321 9	5.390
Temporary Supply	322 0	200.000	322 1	0.000	322 5	0.000	322 9	0.000
Street Lighting	326 0	0.000	326 1	2.500	326 5	2.890	326 9	5.390

Note

- The Fixed Line Charge component of a Contract for the supply of Line Services is for a minimum 12 month period.
- A Fixed Line Charge waiver may apply in certain circumstances. i.e. when approved in writing by MainPower.

Residential

- Storage water heating must be subject to control in order to qualify for Residential Controlled and/or Night Special Supply.
MainPower reserves the right to waive this requirement under special circumstances.
- Night Special is available for approved fixed wired storage water heating, storage space heating and other approved systems.
Supply of Night Special is limited to a maximum of 8 hours between 9.30pm and 7.30 am. Storage water heating is subject to control.
The Fixed Charge for Residential Controlled Supply coupled with Night Special is 45.00 cents per day excluding GST and after Prompt Payment Discount

Other Supply

- The above Line Service rates for "Other Supply" customers assume that storage water heating and water storage for pumping purposes is controllable by MainPower.
MainPower reserves the right to waive this requirement under special circumstances.
MainPower also reserves the right to charge a higher fixed charge where a waiver is not approved and the customer requests Uncontrolled Supply.
MainPower also reserves the right to charge a higher fixed charge where Power Factor Correction requirements are not maintained.
- Large user customers, i.e. customers consuming over 500,000 units per annum, may qualify for a volume discount.
The level of discount is subject to negotiation between MainPower and each individual customer.
MainPower will take into account a customers load characteristics and other relevant circumstances.
- An Other Supply "Night Special" may be made available to Other Supply customers in certain circumstances.
Availability of Night Special is subject to negotiation between MainPower and the customers concerned.