

Appendix B

Clause 5 (1) (a)

Rt - Is the allowable notional revenue under the CPI-X price path at the assessment date occurring in the calendar year t, being equal to Rt-1 (1+CPIt) (1-X), where the initial value for the price path, at the reference date, is R2004.

R2004

Maximum notional revenue at the reference date which would not have cause the distribution business to breach the price path threshold under the initial notice at that date:

Individual Line Charge Customers - These customers generally have contract capacities in excess of 100kVA. These customers have individual profiles which are assessed each year and are used to calculate their individual line charge. There are six profile parameters which the line charges are derived from, these are: The Contract Capacity (kVA), Winter Peak Demand (kVA), Winter Peak Energy (MWh), Winter Day Energy (MWh), Summer Day Energy (MWh), and Total Energy (MWh). Please refer to the Line Pricing Methodology on the PowerNet website for further details. To obtain notional revenue for each of the periods, the individual profile for each customer as at 31 March 2003 was inserted in the pricing model for each of the review years, this allowed us to generate comparable line charges using consistent quantities.

Notional Revenue at the first Assessment Date (6 September 2003)

Customer Name	Capacity Code	Numbers	Fixed Charge per Day	Annual Fixed Charge	Annual Day	Variable Rate c/daykWh	Variable Revenue	
EIL City		31-Mar-03						
Single phase								
1-7.5 kVA (35 amp)	ND08P	6	\$ 0.41	\$ 898	21,792	4.389	\$ 956	
1-7.5 kVA (35 amp)	ND08Q	223	\$ 0.28	\$ 22,791	809,948	4.389	\$ 35,549	
7.5-20 kVA (80 amp)	ND20P	346	\$ 0.76	\$ 95,980	2,639,051	4.389	\$ 115,828	
7.5-20 kVA (80 amp)	ND20Q	13030	\$ 0.52	\$ 2,473,094	99,383,920	4.389	\$ 4,361,960	
20kVA (80 amp) Low	NDL20P	27	\$ 0.21	\$ 2,070	102,616	7.342	\$ 7,534	
20kVA (80 amp) Low	NDL20Q	343	\$ -	\$ -	1,303,600	7.342	\$ 95,710	
Non-Domestic Single Phase								
0-1 kVA	NS001P	9	\$ 0.29	\$ 953	-	4.389	\$ -	
0-1 kVA	NS001L	6	\$ 0.05	\$ 110	-	4.389	\$ -	
8 kVA 1 Phase - All Peak	NS008P	105	\$ 0.41	\$ 15,713	305,093	4.389	\$ 13,391	
8 kVA 1 Phase - With Off Peak	NS008Q	27	\$ 0.28	\$ 2,759	78,452	4.389	\$ 3,443	
20 kVA 1 Phase - All Peak	NS020P	362	\$ 0.76	\$ 100,419	2,579,645	4.389	\$ 113,221	
20 kVA 1 Phase - With Off Peak	NS020Q	167	\$ 0.52	\$ 31,697	1,190,057	4.389	\$ 52,232	
Three phase								
0-15kVA (20 amp)	NT015P	36	\$ 0.62	\$ 8,147	169,980	4.389	\$ 7,460	
0-15kVA	NT015Q	12	\$ 0.41	\$ 1,796	56,660	4.389	\$ 2,487	
15-30 kVA (45 amp)	NT030P	483	\$ 1.06	\$ 186,873	3,333,137	4.389	\$ 146,291	
15-30 kVA	NT030Q	160	\$ 0.72	\$ 42,048	1,098,333	4.389	\$ 48,206	
30-50 kVA	NT050P	267	\$ 2.16	\$ 210,503	11,443,152	4.389	\$ 502,240	
30-50 kVA	NT050Q	87	\$ 1.47	\$ 46,680	3,728,668	4.389	\$ 163,651	
50-75 kVA	NT075P	97	\$ 4.44	\$ 157,198	4,932,331	4.389	\$ 216,480	
50-75 kVA	NT075Q	12	\$ 3.23	\$ 14,147	610,185	4.389	\$ 26,781	
75-100 kVA	NT100P	46	\$ 5.40	\$ 90,666	5,012,236	4.389	\$ 219,987	
75-100 kVA	NT100Q	6	\$ 3.92	\$ 8,585	653,770	4.389	\$ 28,694	
Total								
Bluff								
Single Phase								
1-7.5 kVA (35 amp)	BD08P	0	\$ 0.41	\$ -	-	4.389	\$ -	
1-7.5 kVA (35 amp)	BD08Q	9	\$ 0.28	\$ 920	32,688	4.389	\$ 1,435	
7.5-20 kVA (80 amp)	BD20P	140	\$ 0.76	\$ 38,836	1,067,824	4.389	\$ 46,867	
7.5-20 kVA (80 amp)	BD20Q	691	\$ 0.52	\$ 131,152	5,270,475	4.389	\$ 231,321	
20kVA (80 amp) Low	BDL20P	15	\$ 0.21	\$ 1,150	59,929	7.342	\$ 4,400	
20kVA (80 amp) Low	BDL20Q	17	\$ -	\$ -	67,919	7.342	\$ 4,987	
Non-Domestic Single Phase								
0-1 kVA	BS001P	0	\$ 0.29	\$ -	-	4.389	\$ -	
0-1 kVA	BS001L	0	\$ 0.05	\$ -	-	4.389	\$ -	
8 kVA 1 Phase - All Peak	BS008P	7	\$ 0.41	\$ 1,048	20,340	4.389	\$ 893	
8 kVA 1 Phase - With Off Peak	BS008Q	2	\$ 0.28	\$ 204	5,811	4.389	\$ 255	
20 kVA 1 Phase - All Peak	BS020P	32	\$ 0.76	\$ 8,877	232,452	4.389	\$ 10,202	
20 kVA 1 Phase - With Off Peak	BS020Q	6	\$ 0.52	\$ 1,139	43,585	4.389	\$ 1,913	
Three phase								
0-15kVA (20 amp)	BT015P	2	\$ 0.62	\$ 453	9,443	4.389	\$ 414	
0-15kVA	BT015Q	0	\$ 0.41	\$ -	-	4.389	\$ -	
15-30 kVA (45 amp)	BT030P	41	\$ 1.06	\$ 15,863	297,829	4.389	\$ 13,072	
15-30 kVA	BT030Q	9	\$ 0.72	\$ 2,365	65,377	4.389	\$ 2,869	
30-50 kVA	BT050P	12	\$ 2.16	\$ 9,461	523,016	4.389	\$ 22,955	
30-50 kVA	BT050Q	5	\$ 1.47	\$ 2,683	217,923	4.389	\$ 9,565	
50-75 kVA	BT075P	9	\$ 4.44	\$ 14,585	457,639	4.389	\$ 20,086	
50-75 kVA	BT075Q	3	\$ 3.23	\$ 3,537	152,546	4.389	\$ 6,695	
75-100 kVA	BT100P	2	\$ 5.40	\$ 3,942	217,923	4.389	\$ 9,565	
75-100 kVA	BT100Q	0	\$ 3.92	\$ -	-	4.389	\$ -	
Total		16859		\$ 3,749,338	148,195,346		\$ 6,549,595	
Total Group Customers Fixed & Variable Charges								
								\$ 10,298,933
Individual Line Charge Customers								
		172						
ICP Number							Annual Line Charge	
880323NV-EBD							\$ 4,897	
9003081NV-OFF							\$ 10,197	
744600NV-667							\$ 5,132	
740649NV-C13							\$ 4,433	
900390NV-B86							\$ 13,302	
880327NV-FB7							\$ 18,603	
8102959NV-5D5							\$ 11,735	
900350NV-C69							\$ 6,313	

722709NV-6AA							\$	15,232
724187NV-3BD							\$	6,156
744309NV-D33							\$	6,859
754608NV-C92							\$	1,882
760737NV-A1C							\$	12,140
9003082NV-C3F							\$	5,380
836516NV-9C5							\$	4,396
9003995NV-251							\$	11,216
8803744NV-895							\$	5,211
724195NV-995							\$	5,091
731878NV-ABC							\$	6,946
8305977NV-7A3							\$	10,618
825292NV-886							\$	15,524
900384NV-021							\$	28,217
900383NV-DEB							\$	12,205
730262NV-92A							\$	5,077
7350005NV-3D0							\$	3,343
734360NV-62B							\$	6,796
735249NV-D8B							\$	7,522
9003053NV-D38							\$	15,588
850908NV-B67							\$	34,533
7501257NV-2E9							\$	4,007
7350693NV-BBE							\$	2,989
7447181NV-71E							\$	3,568
900358NV-E7D							\$	8,186
734460NV-929							\$	9,501
8425758NV-FE5							\$	9,574
880330NV-8D0							\$	10,322
900351NV-02C							\$	11,544
7341793NV-BFB							\$	4,905
7406224NV-B78							\$	6,179
734188NV-482							\$	16,639
800449NV-3FB							\$	3,650
9003078NV-EB9							\$	5,887
900308NV-675							\$	39,699
8305981NV-63B							\$	7,798
750123NV-691							\$	10,211
9003165NV-24B							\$	5,646
832431NV-6DE							\$	21,155
900319NV-09D							\$	11,709
740630NV-71F							\$	5,536
9003193NV-3D3							\$	7,603
744586NV-1A1							\$	5,771
744502NV-5E1							\$	6,280
731881NV-4FA							\$	9,538
8509025NV-CC0							\$	29,644
8803032NV-345							\$	6,153
931747NV-783							\$	4,421
933534NV-759							\$	3,962
931777NV-07B							\$	47,632
931775NV-0FE							\$	6,122
930503NV-F8B							\$	9,366
930505NV-E04							\$	2,338
920755NV-4EA							\$	8,672
931776NV-C3E							\$	9,319
930921NV-E57							\$	7,229
931326NV-837							\$	5,050
9406013NV-102							\$	23,730
9406011NV-187							\$	27,601
9408016NV-48D							\$	122,146
931706NV-963							\$	9,883
931760NV-71C							\$	5,141
934525NV-5D1							\$	5,028
Total Individual Line Chagres							\$	1,965,552
EPI2003Qi0		17031					\$	12,264,485

Transmission (Budgeted 31 March 2004)								
CT2003							\$	2,746,085.86

Rates (Budgeted 31 March 2004)								
CR2003							\$	23,751.00

EPI2003Qi0 - CT2003 - CR2003							\$	9,494,648
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ΔCPI_{2005}			
Numerator		Denominator	
$CPI_{Q1,2004}$	928	$CPI_{Q1,2003}$	913
$CPI_{Q2,2004}$	935	$CPI_{Q2,2003}$	913
$CPI_{Q3,2004}$	941	$CPI_{Q3,2003}$	918
$CPI_{Q4,2004}$	949	$CPI_{Q4,2003}$	924
Total	3753	Total	3669
ΔCPI_{2005}		2.29%	

ΔCPI_{2006}			
Numerator		Denominator	
$CPI_{Q1,2005}$	953	$CPI_{Q1,2004}$	928
$CPI_{Q2,2005}$	962	$CPI_{Q2,2004}$	935
$CPI_{Q3,2005}$	973	$CPI_{Q3,2004}$	941
$CPI_{Q4,2005}$	979	$CPI_{Q4,2004}$	949
Total	3867	Total	3753
ΔCPI_{2006}		3.04%	

ΔCPI_{2007}			
Numerator		Denominator	
$CPI_{Q1,2006}$	985	$CPI_{Q1,2005}$	953
$CPI_{Q2,2006}$	1000	$CPI_{Q2,2005}$	962
$CPI_{Q3,2006}$	1007	$CPI_{Q3,2005}$	973
$CPI_{Q4,2006}$	1005	$CPI_{Q4,2005}$	979
Total	3997	Total	3867
ΔCPI_{2007}		3.37%	

For presentation purposes, the CPI Index has been shown to four decimal places, however for the calculation of R2007, the full index (with no rounding) has been applied.

Term	Description	(\$)
X	X Factor Assigned to EIL	0%
R_{2004}	Maximum Revenue at 31 March 2004 that would not have caused a breach under the initial Notice	9,494,648
$(1 + \Delta CPI_{2005})$	Average change in Consumer Price Index over 2004	1.0229
$(1-X)$	1-X Factor Assigned	1.00
R_{2005}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2005	9,712,099
$(1 + \Delta CPI_{2006})$	Average change in Consumer Price Index over 2005	1.0304
$(1-X)$	1-X Factor	1.00
R_{2006}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2006	10,007,111
$(1 + \Delta CPI_{2007})$	Average change in Consumer Price Index over 2006	1.0337
$(1-X)$	1-X Factor	1.00
R_{2007}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2007	10,343,891
NR_{2007} / R_{2007}	Expression must be less than or equal to 1 to avoid breaching 5(1)(a)	0.9739
$R_{2007} - NR_{2007}$	Value of Compliance or (Breach)	270,321