

Appendix C

Clause 5 (1) (b)

Maximum Notional Revenue for the period 1 April 2006 to 31 March 2007.

The notional revenue of a distribution business at any time during an assessment period is not to exceed the greater of the allowable notional revenue of the distribution business at the assessment date on which that assessment period ends and the notional revenue of the distribution business at the previous assessment date under this clause.

$SP_{MAX} Q_{L,K}$

$\Sigma P_{max} Q_i$

Fixed Charges	31-Mar-03		Rate \$/kVA	Total Fixed Charge			
	Number	Average kVA					
Domestic	10,534	10	\$ 30.68	\$ 3,231,831			
10% Fixed Charge Option	188		\$ -	\$ -			
Commercial	3,732	15.69	\$ 51.12	\$ 2,992,905			
Unmetered	82	1	\$ 126.06	\$ 10,337			
Streetlights	9	215,021	0.236	\$ 50,745			
Total	14,545			\$ 6,285,819			
Variable Charges							
	Annual Day kWh's	Annual Night kWh's	Day \$/kWh	Night \$/kWh's	Total Day \$	Total Night \$	Total Variable
Domestic, Commercial, Unmetered & Streetlights	108,929,811	44471197	0.0681	0.0079	\$ 7,418,120	\$ 351,322	
10% Fixed Charge Option	452,431	153573	0.1182	0.0132	\$ 53,477	\$ 2,027	
					\$ 7,471,597	\$ 353,350	\$ 7,824,947
Total Fixed & Variable							\$ 14,110,766
Maximum Demand Customers							
Fixed Charges	Number	Total Capacity kVA	Rate \$/kVA	Total	Total Fixed		
	35	12475	\$ 30.72	\$ 383,232			
		Annual Demand	Rate \$/kVA				
	35	7714 kVA	\$ 26.00	\$ 200,564.00	\$ 583,796		
Variable Charges	kWh	\$/kWh	Total	Total Variable			
Summer Day	9,101,810	0.0268	\$ 243,929				
Winter Day	5,691,233	0.0513	\$ 291,960				
All Nights	5247071	0.0040	\$ 20,988	\$ 556,877			
Total Fixed & Variable							\$ 1,140,673
Bulk & Generator							
	Total MD kW	Rate \$/kW	Total Annual Line Charge				
Bulk Customers	27073	\$ 82.95	\$ 2,245,635				
Generator			\$ 330,505				
Macraes Line Contract			\$ 117,000				
Total Bulk & Generator				\$ 2,693,140			
$\Sigma P_{2007} Q_i$							\$ 17,944,578

K_{2007}

Transmission (31 March 2007)	\$ 4,531,115
Rates (31 March 2007)	\$ 54,161
Electricity Commission Levies (31 March 2007)	\$ 37,294
$NR_{2007max} = SP_{2007max} Q_i - K_{2007}$	\$ 13,322,008

Term	Description	(\$)
$SP_{MAX} Q_t$	Maximum Price Between 1 April 2006 and 31 March 2007 multiplied by 31 March 2003 Base Quantities	17,944,578
K_{2007}	Transmission Charges for year ending 31 March 2007	4,531,115
	Rates Charges for year ending 31 March 2007	54,161
	Electricity Commission Levies for year ending 31 March 2007	37,294
R_{MAX}	Maximum Notional Revenue for 1 April 2005 to 31 March 2007	13,322,008

Notional Revenue during the period is not to exceed the maximum of the Allowable Notional Revenue at the end of the assessment period and the Allowable Notional Revenue at the end of the previous assessment period		
Term	Description	(\$)
NR_{Max}	Maximum Notional Revenue for 1 April 2006 to 31 March 2007	13,322,008
R_{2006}	Allowable Notional Revenue at 31 March 2006	8,981,020
R_{2007}	Allowable Notional Revenue at 31 March 2007	9,376,101
$Max(R_{2006}, R_{2007})$	Maximum of the Allowable Notional Revenue at 31 March 2006 and the Allowable Notional Revenue at 31 March 2007	9,376,101
$NR_{Max} / Max(R_{2006}, R_{2007})$	If expression is greater than 1, Clause 5 (1) (b) is breached	1.4208
$Max(R_{2006}, R_{2007}) - NR_{Max}$	Value of Compliance or (Breach)	(3,945,907)