

Appendix C

Clause 5 (1) (b)

Maximum Notional Revenue for the period 1 April 2007 to 31 March 2008.

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.

 $SP_{MAX} Q_{i,K}$
 $\sum P_{max} Q_i$

Fixed Charges	31-Mar-03		Rate \$/kVA	Total Fixed Charge			
	Number	Average kVA					
Domestic	10,534	10	\$ 39.29	\$ 4,138,809			
10% Fixed Charge Option	188		\$ -	\$ -			
Commercial	3,732	15.69	\$ 65.47	\$ 3,833,050			
Unmetered	82	1	\$ 161.45	\$ 13,239			
Streetlights	9	215,021 Watts	0.302	\$ 64,936			
Total	14,545			\$ 8,050,034			
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	0.0872	0.0101	\$ 9,498,679	\$ 449,159	
10% Fixed Charge Option	452,431	153573	0.153	0.0169	\$ 69,222	\$ 2,595	
					\$ 9,567,901	\$ 451,754	\$ 10,019,656
Total Fixed & Variable							\$ 18,069,690
Maximum Demand Customers							
Fixed Charges	Number	Total Capacity kVA	Rate \$/kVA	Total	Total Fixed		
	35	12475	\$ 31.83	\$ 397,079			
		Annual Maximum Demand	Rate \$/kVA				
	35	7714 kVA	\$ 26.94	\$ 207,815.16	\$ 604,894		
Variable Charges	kWh	\$/kWh	Total	Total Variable			
Summer Day	9,101,810	0.0278	\$ 253,030				
Winter Day	5,691,233	0.0531	\$ 302,204				
All Nights	5247071	0.0041	\$ 21,513	\$ 576,748			
Total Fixed & Variable							\$ 1,181,642
Bulk & Generator							
	Total MD kW	Rate \$/kW	Total Annual Line Charge				
Bulk Customers	27073	\$ 77.30	\$ 2,092,810				
Generator			\$ 457,675				
Macraes Line Contract			\$ 117,000				
Total Bulk & Generator							\$ 2,667,484
$\sum P_{2008} Q_i$							\$ 21,918,817

 K_{2008}

Transmission (31 March 2008)	\$ 4,135,925
Rates (31 March 2008)	\$ 50,562
Electricity Commission Levies (31 March 2008)	\$ 41,091
$NR_{2008} = SP_{2008} Q_i - K_{2008}$	\$ 17,691,238

Term	Description	(\$)
$SP_{MAX} Q_i$	Maximum Price Between 1 April 2007 and 31 March 2008 multiplied by 31 March 2003 Base Quantities	21,918,817
K_{2008}	Transmission Charges for year ending 31 March 2008	4,135,925
	Rates Charges for year ending 31 March 2008	50,562
	Electricity Commission Levies for year ending 31 March 2008	41,091
R_{MAX}	Maximum Notional Revenue for April 2007 to 31 March 2008	17,691,238

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 April 2006 to 31 March 2008	17,691,238
R_{2007}	Allowable Notional Revenue at 31 March 2007	9,376,101
R_{2008}	Allowable Notional Revenue at 31 March 2008	9,694,879
$Max(R_{2007}, R_{2008})$	Maximum of the Allowable Notional Revenue at 31 March 2007 and the Allowable Notional Revenue at 31 March 2008	9,694,879
$NR_{Max} / Max(R_{2007}, R_{2008})$	If expression is greater than 1, Clause 5 (1) (b) is breached	1.8248
$Max(R_{2007}, R_{2008}) - NR_{Max}$	Value of Compliance or (Breach)	(7,996,359)