

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+CPI) (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 caused 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)

Contract Capacity Group	Code	Number of Consumers	Fixed Charge per day	Annual Fixed Charge	Annual Day kWh's	Variable Rate c/daykWh	Annual Variable Charge
TPCL Urban Domestic		31-Mar-03					
Small Domestic (8kVA 1 Phase) - All Peak	UD08P	31	\$ 0.41	\$ 4,639	112542	3.998	\$ 4,499
Small Domestic (8kVA 1 Phase) - With Off Peak	UD08Q	374	\$ 0.28	\$ 38,223	1357760	3.998	\$ 54,283
Standard Domestic (20kVA 1 Phase) - All Peak	UD20P	984	\$ 0.76	\$ 272,962	7644698	3.998	\$ 305,635
Standard Domestic (20kVA 1 Phase) - With Off Peak	UD20Q	12712	\$ 0.52	\$ 2,412,738	98759560	3.998	\$ 3,948,407
10% Fixed Charge Option - All Peak	UDL20P	69	\$ 0.21	\$ 5,289	225446	6.832	\$ 15,402
10% Fixed Charge Option - With Off Peak	UDL20Q	292	\$ -	\$ -	954063	6.832	\$ 65,182
Non-Domestic Single Phase							
Street Lights (1 Phase)	US001L	12	\$ 0.06	\$ 263	0	3.998	\$ -
1 kVA 1 Phase - All Peak	US001P	24	\$ 0.30	\$ 2,628	8713	3.998	\$ 348
8 kVA 1 Phase - All Peak	US008P	171	\$ 0.41	\$ 25,590	124159	3.998	\$ 4,964
8 kVA 1 Phase - With Off Peak	US008Q	36	\$ 0.28	\$ 3,679	26139	3.998	\$ 1,045
20 kVA 1 Phase - All Peak	US020P	383	\$ 0.76	\$ 106,244	2502781	3.998	\$ 100,061
20 kVA 1 Phase - With Off Peak	US020Q	154	\$ 0.52	\$ 29,229	1006340	3.998	\$ 40,233
Non-Domestic Three Phase							
15 kVA 3 Phase - All Peak	UT015P	42	\$ 0.63	\$ 9,658	182971	3.998	\$ 7,315
15 kVA 3 Phase - With Off Peak	UT015Q	19	\$ 0.42	\$ 2,913	82773	3.998	\$ 3,309
30 kVA 3 Phase - All Peak	UT030P	579	\$ 1.07	\$ 226,128	5044769	3.998	\$ 201,690
30 kVA 3 Phase - With Off Peak	UT030Q	121	\$ 0.72	\$ 31,799	1054261	3.998	\$ 42,149
50 kVA 3 Phase - All Peak	UT050P	276	\$ 2.17	\$ 218,606	11422612	3.998	\$ 456,676
50 kVA 3 Phase - With Off Peak	UT050Q	102	\$ 1.48	\$ 55,100	4221400	3.998	\$ 168,772
75 kVA 3 Phase - All Peak	UT075P	99	\$ 5.27	\$ 190,431	5247344	3.998	\$ 209,789
75 kVA 3 Phase - With Off Peak	UT075Q	26	\$ 3.55	\$ 33,690	1378090	3.998	\$ 55,096
100 kVA 3 Phase - All Peak	UT100P	8	\$ 9.77	\$ 28,528	865481	3.998	\$ 34,602
100 kVA 3 Phase - With Off Peak	UT100Q	2	\$ 6.78	\$ 4,949	214918	3.998	\$ 8,592
TPCL Rural Domestic							
Small Domestic (8kVA 1 Phase) - All Peak	RD08P	43	\$ 0.47	\$ 7,377	156106	3.998	\$ 6,241
Small Domestic (8kVA 1 Phase) - With Off Peak	RD08Q	304	\$ 0.32	\$ 35,507	1103634	3.998	\$ 44,123
Standard Domestic (20kVA 1 Phase) - All Peak	RD20P	969	\$ 0.88	\$ 311,243	7528163	3.998	\$ 300,976
Standard Domestic (20kVA 1 Phase) - With Off Peak	RD20Q	6601	\$ 0.60	\$ 1,445,619	51283186	3.998	\$ 2,050,302
10% Fixed Charge Option - All Peak	RDL20P	68	\$ 0.25	\$ 6,205	222179	6.832	\$ 15,179
10% Fixed Charge Option - With Off Peak	RDL20Q	104	\$ 0.05	\$ 1,898	339803	6.832	\$ 23,215
Non-Domestic Single Phase							
Street Lights (1 Phase)	RS001L	11	\$ 0.07	\$ 281	0	3.998	\$ -
1 kVA 1 Phase - All Peak	RS001P	119	\$ 0.30	\$ 13,031	43201	3.998	\$ 1,727
8 kVA 1 Phase - All Peak	RS008P	729	\$ 0.47	\$ 125,060	529309	3.998	\$ 21,162
8 kVA 1 Phase - With Off Peak	RS008Q	103	\$ 0.32	\$ 12,030	74786	3.998	\$ 2,990
20 kVA 1 Phase - All Peak	RS020P	2174	\$ 0.88	\$ 698,289	13486593	3.998	\$ 539,194
20 kVA 1 Phase - With Off Peak	RS020Q	267	\$ 0.60	\$ 58,473	1656357	3.998	\$ 66,221
Non-Domestic Three Phase							
15 kVA 3 Phase - All Peak	RT015P	144	\$ 0.72	\$ 37,843	627329	3.998	\$ 25,081
15 kVA 3 Phase - With Off Peak	RT015Q	22	\$ 0.48	\$ 3,854	95842	3.998	\$ 3,832
30 kVA 3 Phase - All Peak	RT030P	2507	\$ 1.23	\$ 1,125,518	22753375	3.998	\$ 909,680
30 kVA 3 Phase - With Off Peak	RT030Q	369	\$ 0.83	\$ 111,789	3349021	3.998	\$ 133,894
50 kVA 3 Phase - All Peak	RT050P	347	\$ 2.49	\$ 315,371	14361037	3.998	\$ 574,154
50 kVA 3 Phase - With Off Peak	RT050Q	443	\$ 1.70	\$ 274,882	18334120	3.998	\$ 732,998
75 kVA 3 Phase - All Peak	RT075P	56	\$ 6.32	\$ 129,181	2968195	3.998	\$ 118,668
75 kVA 3 Phase - With Off Peak	RT075Q	12	\$ 4.26	\$ 18,659	636042	3.998	\$ 25,429
100 kVA 3 Phase - All Peak	RT100P	17	\$ 11.72	\$ 72,723	1851491	3.998	\$ 74,023
100 kVA 3 Phase - With Off Peak	RT100Q	0	\$ 8.14	\$ -	0	3.998	\$ -
Total		31925		\$ 8,508,117	283836588		\$ 11,397,141
Total Group Customers Fixed & Variable Charges							\$ 19,905,258
Individual Line Charge Customers		186					
ICP Number				Annual Line Charge			
396516TP-CB8				\$ 15,495			
396517TP-0FD				\$ 18,823			
800105TP-315				\$ 688,171			
800116TP-578				\$ 132,525			
800134TP-8A8				\$ 373,677			
8001365TP-9E5				\$ 33,312			
800127TP-EC5				\$ 12,158			
800139TP-7F3				\$ 10,377			
800107TP-390				\$ 9,420			
800118TP-6E3				\$ 7,497			
800128TP-11B				\$ 7,386			
8001281TP-B51				\$ 4,833			
8001275TP-A4C				\$ 9,978			
118447TP-ECC				\$ 6,996			
800146TP-D70				\$ 1,408,660			
502013TP-4D1				\$ 4,502			
304798TP-4EA				\$ 8,959			
800186TP-A9F				\$ 25,229			
8001708TP-54F				\$ 20,182			
1819183TP-528				\$ 4,828			
482021TP-8E5				\$ 6,646			

100109TP-F16				\$	6,890			
800158TP-446				\$	339,224			
8001315TP-CB8				\$	90,219			
437074TP-48B				\$	67,495			
437078TP-795				\$	89,371			
4370715TP-029				\$	19,890			
437077TP-84B				\$	8,122			
800155TP-B1D				\$	21,247			
8001875TP-046				\$	2,210			
5678995TP-502				\$	5,800			
800133TP-562				\$	6,145			
141326TP-DAF				\$	11,565			
800163TP-D6A				\$	14,765			
444030TP-F7D				\$	9,308			
549615TP-72D				\$	4,341			
800124TP-205				\$	61,147			
556470TP-E14				\$	14,999			
556472TP-E91				\$	4,639			
240526TP-6BD				\$	6,127			
8001505TP-013				\$	7,117			
5290993TP-D4F				\$	4,264			
221318TP-720				\$	5,586			
5791954TP-B19				\$	2,453			
8001815TP-FB6				\$	66,043			
8001801TP-411				\$	49,331			
800181TP-755				\$	14,192			
579155TP-BA6				\$	5,773			
514914TP-CS4				\$	17,459			
4004001TP-401				\$	3,961			
5672985TP-1EF				\$	3,881			
313732TP-2E5				\$	10,037			
362484TP-9C2				\$	10,113			
404955TP-F5E				\$	4,208			
405545TP-85F				\$	14,618			
405508TP-5A1				\$	11,171			
405350TP-9BB				\$	6,193			
800153TP-A92				\$	5,860			
8001305TP-615				\$	4,241			
116195TP-ECE				\$	7,272			
5791985TP-A1E				\$	5,090			
110146TP-A8C				\$	4,926			
241126TP-B1C				\$	7,107			
166724TP-C86				\$	8,878			
690224TP-CD4				\$	4,523			
250351TP-0CD				\$	9,721			
177096TP-8F2				\$	7,528			
800151TP-A17				\$	4,229			
181105TP-28D				\$	5,197			
240375TP-473				\$	7,198			
8001245TP-DB4				\$	26,326			
517704TP-375				\$	4,812			
637250TP-A0B				\$	16,161			
1819179TP-7AE				\$	7,204			
625837TP-99A				\$	6,785			
800114TP-5FD				\$	15,553			
556467TP-973				\$	15,982			
800103TP-29A				\$	2,834			
569640TP-BA7				\$	3,440			
800130TP-9A2				\$	16,479			
568791TP-204				\$	5,022			
521003TP-551				\$	4,770			
564570TP-57C				\$	1,829			
5791016TP-030				\$	2,330			
181975TP-7DD				\$	6,883			
400440TP-B34				\$	3,082			
418284TP-E36				\$	35,318			
4182832TP-1BD				\$	21,854			
4182836TP-0B7				\$	22,416			
530906TP-856				\$	16,059			
800164TP-0A0				\$	20,712			
405190TP-453				\$	5,119			
180710TP-2C9				\$	5,871			
8001695TP-CF7				\$	22,546			
800147TP-135				\$	5,789			
800150TP-652				\$	5,535			
142817TP-7FC				\$	5,678			
589190TP-49A				\$	8,917			
116167TP-ESC				\$	4,876			
118468TP-C47				\$	6,273			
1015827TP-5C5				\$	6,640			
190101TP-AC6				\$	6,821			
800169TP-FFB				\$	6,649			
249945TP-531				\$	8,947			
364828TP-B0F				\$	6,048			
110197TP-B8B				\$	6,954			
426599TP-D2E				\$	12,401			
192544TP-A6D				\$	11,345			
192519TP-D3E				\$	4,572			
1186119TP-9E7				\$	10,700			
118615TP-C46				\$	11,587			
1186118TP-5A2				\$	10,288			
543645TP-165				\$	7,657			
6204408TP-3FB				\$	33,906			
8001318TP-3E3				\$	1,246			
6204407TP-C25				\$	21,826			
6204405TP-CA0				\$	7,927			
6204404TP-0E5				\$	37,509			
204735TP-7C2				\$	5,035			
190184TP-2C3				\$	4,687			
525441TP-DF0				\$	4,412			
633604TP-988				\$	9,619			
615269TP-92F				\$	19,944			
181972TP-A17				\$	5,263			
800152TP-6D7				\$	32,600			
800170TP-B07				\$	75,147			
642956TP-513				\$	7,805			
625880TP-6E2				\$	7,426			
800104TP-E50				\$	19,096			
8001045TP-7B3				\$	15,813			

5791226TP-DCF				\$	7,588			
549325TP-5D0				\$	8,589			
643847TP-B3F				\$	19,004			
6438485TP-221				\$	3,696			
6438465TP-89B				\$	22,074			
157641TP-7B1				\$	4,802			
800132TP-927				\$	4,592			
632751TP-46B				\$	4,362			
800113TP-837				\$	7,924			
579184TP-AA1				\$	2,512			
568266TP-ADC				\$	20,611			
5682737TP-04F				\$	10,887			
300360TP-C68				\$	729			
405769TP-C13				\$	11,981			
617670TP-292				\$	29,789			
112267TP-BDF				\$	5,499			
800171TP-742				\$	141,126			
632798TP-DD5				\$	3,111			
634528TP-0A0				\$	1,552			
176643TP-F59				\$	4,414			
800121TP-F4A				\$	48,304			
482074TP-DA2				\$	7,240			
800125TP-E40				\$	151,404			
8001011TP-EB1				\$	10,828			
400495TP-B39				\$	9,367			
800120TP-30F				\$	1,693			
595728TP-15B				\$	10,806			
184621TP-6F0				\$	2,398			
5791154TP-B14				\$	6,356			
482070TP-CA8				\$	11,241			
656382TP-D30				\$	1,624			
800131TP-5E7				\$	61,687			
520373TP-2AF				\$	43,956			
184687TP-F60				\$	5,619			
150931TP-983				\$	14,815			
150925TP-224				\$	12,574			
3860754TP-SCD				\$	64,051			
389997TP-83A				\$	6,004			
389990TP-5F0				\$	5,772			
389999TP-BA1				\$	10,238			
800167TP-C60				\$	10,761			
800161TP-DEF				\$	17,659			
8001611TP-SB7				\$	1,885			
143131TP-38F				\$	9,128			
181911TP-927				\$	6,426			
235545TP-814				\$	6,052			
150910TP-893				\$	32,911			
150912TP-816				\$	24,278			
624649TP-8F7				\$	4,904			
800166TP-025				\$	11,553			
416731TP-C0E				\$	10,257			
624606TP-58C				\$	5,412			
1164012TP-00A				\$	10,178			
424510TP-575				\$	15,022			
800149TP-2AE				\$	15,195			
8001015TP-FBB				\$	11,795			
Total Individual Line Chagres								\$ 5,651,890
EPI2003Qi0			32111					\$ 25,557,148

Transmission (Budgeted 31 March 2004)			
CT2003			\$ 7,158,234.52

Rates (Budgeted 31 March 2004)			
CR2003			\$ 202,500.00

EPI2003Qi0 - CT2003 - CR2003			\$ 18,196,413.54
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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%		

ΔCPI_{2008}			
Numerator		Denominator	
$CPI_{Q1,2007}$	1010	$CPI_{Q1,2006}$	985
$CPI_{Q2,2007}$	1020	$CPI_{Q2,2006}$	1000
$CPI_{Q3,2007}$	1025	$CPI_{Q3,2006}$	1007
$CPI_{Q4,2007}$	1037	$CPI_{Q4,2006}$	1005
Total	4092	Total	3997
ΔCPI_{2008}	2.38%		

For presentation purposes, the CPI Index has been shown to four decimal places, however for the calculation of R2008, the full index (with no rounding) has been applied.

Term	Description	(\$)
X	X Factor	0%
R_{2004}	Maximum Revenue at 31 March 2004 that would not have caused a breach under the Initial Notice	18,196,414
$(I + \Delta CPI_{2005})$	Average change in Consumer Price Index over 2004	1.0229
$(I-X)$	1-X Factor	1.00
R_{2005}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2005	18,613,012
$(I + \Delta CPI_{2006})$	Average change in Consumer Price Index over 2005	1.0304
$(I-X)$	1-X Factor	1.00
R_{2006}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2006	19,178,395
$(I + \Delta CPI_{2007})$	Average change in Consumer Price Index over 2006	1.0337
$(I-X)$	1-X Factor	1.00
R_{2007}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2007	19,823,826
$(I + \Delta CPI_{2008})$	Average change in Consumer Price Index over 2007	1.0238
$(I-X)$	1-X Factor	1.00
R_{2008}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2008	20,294,868
NR_{2008} / R_{2008}	Expression must be less than or equal to 1 to avoid breaching 5(1)(a)	1.2756
$R_{2008} - NR_{2008}$	Value of Compliance or (Breach)	(5,593,318)