

**OtagoNet Joint Venture
Notification of Line Charge Changes**

Pursuant to the Electricity Information Disclosure Requirements 2004, OtagoNet Limited hereby gives notice that the following line charges will apply for Installation Control Points (ICPs) as from 1 July 2008.

The new and existing line charges for ICPs in the OtagoNet area are shown below:

The line charges do not include metering charges and are GST exclusive.

Electricity consumers should note that these are the line charges as charged to the electricity retailers. Individual electricity retailers will make their own decisions whether to adjust their retail prices to consumers to reflect any changes in the line

		New Charges					Current Charges	
Domestic Customers	Code	Number of Consumers	Charges Effective from:	Distribution	Transmission Charge	Total Charge	Charges Effective to:	Total Charge
Fixed Charge								
Annual Charge \$ per Assessed kVA	1	9,990	1-Jul-08	\$36.30	\$5.617	\$41.92	30-Jun-08	\$39.29
Variable Charge								
Day \$/kWh at the Grid Exit Point	1		1-Jul-08	\$0.0805	\$0.0125	\$0.0930	30-Jun-08	\$0.0872
Night \$/kWh at the Grid Exit Point	1		1-Jul-08	\$0.00935	\$0.0014	\$0.0108	30-Jun-08	\$0.0101
Commercial Customers								
Fixed Charge								
Annual Charge \$ per Assessed kVA Demand	2	3,522	1-Jul-08	\$60.50	\$9.361	\$69.86	30-Jun-08	\$65.47
Variable Charge								
Day \$/kWh at the Grid Exit Point	2		1-Jul-08	\$0.0805	\$0.0125	\$0.0930	30-Jun-08	\$0.0872
Night \$/kWh at the Grid Exit Point	2		1-Jul-08	\$0.00935	\$0.0014	\$0.0108	30-Jun-08	\$0.0101
Maximum Demand Customers								
Fixed Charges								
Annual Charge \$ per kVA of Supply Capacity	3	44	1-Jul-08	\$29.41	\$4.551	\$33.96	30-Jun-08	\$31.83
Annual Charge \$ per kVA per each months Maximum Demand	3		1-Jul-08	\$24.89	\$3.851	\$28.74	30-Jun-08	\$26.94
Variable Charge								
Winter Day \$/kWh at the Grid Exit Point	3		1-Jul-08	\$0.0491	\$0.0076	\$0.0567	30-Jun-08	\$0.0531
Summer Day \$/kWh at the Grid Exit Point	3		1-Jul-08	\$0.0257	\$0.0040	\$0.0297	30-Jun-08	\$0.0278
All Nights \$/kWh at the Grid Exit Point	3		1-Jul-08	\$0.0038	\$0.0006	\$0.0044	30-Jun-08	\$0.0041
Major Customers		4	Major customers have their network charges calculated individually. These individual charges take into account the following factors: Allocation of the network components based on their capacity and demand and including backup or alternative feeds. Value of the network components allocated based on the current ORC valuation. Proportion of the Transpower charges based on their capacity and demand and the Transpower grid exit charges. Presently there are 6 major customers to which these major customer charges apply.					
Unmetered Loads up to 1 kVA								
Fixed Charge								
Annual Charge	5	96	1-Jul-08	\$149.19	\$23.084	\$172.27	30-Jun-08	\$161.45
Variable Charge								
Day \$/kWh at the Grid Exit Point	5		1-Jul-08	\$0.0805	\$0.0125	\$0.0930	30-Jun-08	\$0.0872
Night \$/kWh at the Grid Exit Point	5		1-Jul-08	\$0.00935	\$0.0014	\$0.0108	30-Jun-08	\$0.0101
Street Lights								
Fixed Charge								
Annual Charge per lamp watt per year	6	9	1-Jul-08	\$0.279	\$0.043	\$0.322	30-Jun-08	\$0.302
Variable Charge								
Day \$/kWh at the Grid Exit Point	6		1-Jul-08	\$0.0805	\$0.0125	\$0.0930	30-Jun-08	\$0.0872
Night \$/kWh at the Grid Exit Point	6		1-Jul-08	\$0.00935	\$0.0014	\$0.0108	30-Jun-08	\$0.0101
10% Fixed Charge Option								
Fixed Charge								
All Peak \$ per Day	8	451	1-Jul-08	\$0.0590	\$0.009	\$0.0681	30-Jun-08	\$0.0681
Off Peak \$ per Day	7	629	1-Jul-08	\$0.00	\$0.000	\$0.00	30-Jun-08	\$0.00
Variable Charge								
Day \$/kWh at the ICP meter	7 & 8		1-Jul-08	\$0.142	\$0.022	\$0.16356	30-Jun-08	\$0.1530
Night \$/kWh at the ICP meter	7 & 8		1-Jul-08	\$0.0156	\$0.002	\$0.01803	30-Jun-08	\$0.0169

Definitions:

Assessed kVA Demand means the maximum average electrical demand over any half-hour period measured in kVA. This may be measured by half-hour demand metering or measured by portable logging equipment or assessed from nameplate ratings of connected equipment

Summer Day means the period of time from 07:00 until 23:00 on all days between the 1st of October and 30th of April.

Winter Day means the period of time from 07:00 until 23:00 on all days between the 1st of May and the 30th September.

Night means the period of time from 23:00 until 07:00 on all nights of the year.

Grid Exit Point means the Transpower substation that supplies the customer. The Retailer's energy for classes 1,2,5 & 6 is calculated by subtracting the day and night kWh figures, plus losses, of the maximum demand, major customers and 10% Fixed Charge Option from the Retailer's reconciled energy at each grid exit point.

Loss Factors - The loss factor for all ICPs except the major customers is 1.0750. Major customers have individual loss factors.

Major Customers Loss factors:	ICP 1995995TGE58	1.0680
	ICP 1990133TG0E5	1.0024
	ICP 1990220TG58B	1.0048
	ICP 1760205TGA1B	1.0200
	ICP 1700063TGC3B	1.0680

