



Threshold Compliance Statement

For the assessment period ending 31 March 2010

Pursuant to

**The Commerce Act (Electricity Distribution Thresholds) Notice 2004 and
Amendment Notice 2006**

DS5001

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21 May 2010

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1 ASSESSMENT AGAINST CLAUSE 5; THE PRICE PATH THRESHOLD

1.1. Clause 5(1)(a) Notional Revenue at each Assessment Date

In accordance with clause 5(1)(a) of the Commerce Act (Electricity Distribution Thresholds) Notice 2004 and the Amendment Notice 2006 (the Gazette Notice) the Notional Revenue of Unison at each assessment date (the numerator of the left-hand side of the following expression) is not to exceed the Allowable Notional Revenue of Unison under the CPI-X price path at that assessment date (the denominator of the left-hand side of the following expression):

Test:	$\frac{NR_{2010}}{R_{2010}}$	≤ 1
Result:	\$67,534,017 / \$67,542,716	< 1
Result:	0.9999	< 1
Result:	Threshold is not breached	

Supporting evidence is provided in Appendices A, B, C, D and E.

1.2. Clause 5(1)(b) Notional Revenue during each Assessment period

In accordance with the Gazette Notice, the Notional Revenue of Unison at any time during an Assessment Period is not to exceed the greater of the Allowable Notional Revenue of Unison at the assessment date on which that Assessment Period ends and the Allowable Notional Revenue of Unison at the previous assessment date under this clause (or, if the previous assessment date is the reference date, under clause 5 of the Commerce Act (Electricity Lines Thresholds) Notice (the Initial Notice)).

Test:	$\frac{NR_{Max}}{Max(R_{2009}, R_{2010})}$	≤ 1
Result:	\$67,534,017 / \$67,542,716	< 1
Result:	0.9999	< 1
Result:	Threshold is not breached	

Supporting evidence is provided in Appendices C and F.

1.3. Sources of Revenue

In accordance with the Gazette Notice, the following sources of revenue have been included in the calculation of Notional Revenue:

- Line Revenue from distribution network charges.

1.4. Excluded Services

In accordance with the Gazette Notice, the following sources of revenue have been excluded from the calculation of Notional Revenue:

- Losses and constraint excess payments, these are passed back transparently to retailers on all of Unison's distribution networks;
- Revenue from dedicated assets, where these are used by a single customer and charged to that customer. There is effective competition for the provision of these assets as some customers pay for the cost of capital on their dedicated assets as opposed to purchasing them;
- Revenue from excess KVAR charges as there is effective competition as the customer has the choice of installing power protection equipment as an alternative to the charges of this service;
- Management services provided to other lines businesses (as these are non conveyance services);
- Value of assets vested in Unison on behalf of customers;
- Disconnection and reconnection income because Use of System Agreements across Unison's distribution network allow for suitably trained and authorised service providers to undertake disconnection and reconnection services on behalf of retailers;
- Instantaneous reserves revenue as this income is derived as a result of a competitive tendering process and forms non-conveyance services not directly related to the provision of electricity distribution;
- Fault related recoveries, as these are recoveries of costs not related to the conveyance of electricity; and
- Miscellaneous other revenue, for example interest, rent, profit on sale of assets. These income sources are derived from non conveyance services.

1.5. Transmission Costs

In accordance with the Gazette Notice, the following components of transmission charges have been included in pass through costs:

- Connection charges;
- Interconnection charges;
- New investment agreement charges;
- Avoided transmission charges;
- Notional embedding charges

1.6. Local Authority Rates

In accordance with the Gazette Notice, local authority rates applying to system fixed assets: lines, cables, equipment, and substation land and buildings, have been included in pass through costs.

1.7. Electricity Commission Levies

In accordance with the Gazette Notice, Electricity Commission levies paid during the Assessment Period have been included in pass through costs.

2 ASSESSMENT AGAINST CLAUSE 6; THE QUALITY THRESHOLD

2.1 Clause 6(1)(a) Interruption Duration

Unison complies with Clause 6(1)(a) of the Quality Threshold for the Assessment Period ending on 31 March 2010 as specified by the Gazette Notice.

In accordance with the Gazette Notice, the System Average Interruption Duration Index (SAIDI) of Unison for each Assessment Period is not to exceed the five-year average SAIDI of Unison to 31 March 2003 (the right-hand side of the following expression):

Test:	$SAIDI_{2010} \leq \left(\frac{SAIDI_{1999} + SAIDI_{2000} + SAIDI_{2001} + SAIDI_{2002} + SAIDI_{2003}}{5} \right)$		
Result:	110.88	<	152.70
Result:	SAIDI does not breach the threshold		

The SAIDI result is under the threshold by 41.82 minutes. Supporting evidence is provided in Appendices H, I and J.

2.2 Clause 6(1)(b) Interruption Frequency

Unison complies with Clause 6(1)(b) of the Quality Threshold for the Assessment Period ending on 31 March 2010 as specified by the Gazette Notice.

In accordance with the Gazette Notice, the System Average Interruption Frequency Index (SAIFI) of Unison for each Assessment Period is not to exceed the five-year average SAIFI of Unison to 31 March 2003 (the right-hand side of the following expression):

Test:	$SAIFI_{2010} \leq \left(\frac{SAIFI_{1999} + SAIFI_{2000} + SAIFI_{2001} + SAIFI_{2002} + SAIFI_{2003}}{5} \right)$		
Result:	1.59	<	2.39
Result:	SAIFI does not breach the threshold		

SAIFI is under the threshold by 0.80 interruptions, supporting evidence is provided in Appendices H, I and J.

2.3 Clause 6(1)(c) Customer Communication

The customer communication criteria for this price path period, has already been satisfied.

3 DISCLAIMER

The information presented in this Threshold Compliance Statement has been prepared solely for the purpose of complying with the requirements of the Gazette Notice. This statement has not been prepared for any other purpose and Unison Networks Limited expressly disclaims any liability to any other party who may rely on this statement for any other purpose.

AUDITORS' REPORT ON THRESHOLD COMPLIANCE STATEMENT

To the readers of the Threshold Compliance Statement of Unison Networks Limited
for the assessment period ended on 31 March 2010

We have examined the attached statement, which is a Threshold Compliance Statement in respect of the price path threshold and the quality threshold prepared by Unison Networks Limited for assessment as at 31 March 2010 and dated 21 May 2010 for the purposes of information requirements set out in clause 7 of the Commerce Act (Electricity Lines Thresholds) Notice 2004 ("the Notice"). In this report the attached statement is called "the threshold compliance statement".

Directors' Responsibilities

Directors of Unison Networks Limited are responsible for the certification, confirming the compliance or otherwise, of the Threshold Compliance Statement in accordance with the Notice.

Auditors' Responsibilities

It is our responsibility to express an independent opinion (in the form prescribed in the Notice) on the Threshold Compliance Statement and report our opinion to you.

We conducted our audit in accordance with the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand.

Basis of Opinion - Price Path Threshold and Quality Threshold: SAIDI and SAIFI Statistics for the Assessment Period ended 31 March 2010

Our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 4 to 8 and Appendices A to J of the Threshold Compliance Statement and which relate to:

- the price path threshold set out in clause 5 of the Notice; and
- the SAIDI and SAIFI statistics for the assessment period ended on 31 March 2010 which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice.

It also included an assessment of the significant estimates and judgements, if any, made by Unison Networks Limited in the preparation of the Threshold Compliance Statement and an assessment of whether the basis of preparation has been adequately disclosed.

We planned and performed our audit of the Threshold Compliance Statement so as to obtain all the information and explanation which we considered necessary, including for the purpose of obtaining sufficient evidence to give reasonable assurance that the Threshold Compliance Statement is free from material misstatements (whether caused by fraud or error), except that our work was limited in respect of the quality threshold: SAIDI and SAIFI statistics as explained below. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the threshold compliance statement.

AUDITORS' REPORT ON THRESHOLD COMPLIANCE STATEMENT
Unison Networks Limited

Basis of Opinion - Quality Threshold: SAIDI and SAIFI Statistics for the Years Ended 31 March 1999, 2000, 2001, 2002 and 2003

In relation to the SAIDI and SAIFI statistics for the years ended 31 March 1999, 2000, 2001, 2002 and 2003 which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice, we have undertaken procedures to provide reasonable assurance that:

- the amounts and disclosures in the Threshold Compliance Statement relating to those statistics have been correctly taken from the information disclosed by Unison Networks Limited in accordance with the Electricity (Information Disclosure) Regulations 1999; and
- those statistics have been calculated based on the source data provided to us. We have not performed audit procedures on the source data.

Relationship and Interests

We have no relationship with or interests in Unison Networks Limited other than in our capacities as auditors of the threshold compliance statements and in the provision of other professional advisory services. We are not aware of any relationships between our firm and Unison Networks Limited that, in our professional judgment, may reasonably be thought to impair our independence.

Opinions

Unqualified Opinion

We have obtained all the information and explanations we have required.

Price Path Threshold

In our opinion, having made all reasonable enquiry, to the best of our knowledge the amounts or details set out in the Threshold Compliance Statement relating to the price path threshold set out in clause 5 of the Notice and related information have been prepared in accordance with the Notice, and give a true and fair view of the performance of Unison Networks Limited against that threshold for the assessment period ended on 31 March 2010.

Quality Threshold: SAIDI and SAIFI statistics

In our opinion, having made all reasonable enquiry, to the best of our knowledge:

- a) The SAIDI and SAIFI statistics for the assessment period ended on 31 March 2010 which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice and related information have been calculated or prepared in accordance with Unison Networks Limited's policies and procedures for recording SAIDI and SAIFI statistics as disclosed in the threshold compliance statement, and fairly represent the performance of Unison Networks Limited for the assessment period ended on 31 March 2010; and
- b) The SAIDI and SAIFI statistics for the years ended 31 March 1999, 2000, 2001, 2002 and 2003, which are relevant to those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice have been correctly taken from the information disclosed by Unison Networks Limited in accordance with the Electricity (Information Disclosure) Regulations 1999. Those statistics have been properly calculated based on the unaudited source data provided to us by Unison Networks Limited. The SAIDI and SAIFI statistics in the Threshold Compliance Statement include information relating to periods when Unison Networks Limited did not own the Rotorua and Taupo Networks which were acquired from UnitedNetworks Limited on 1 November 2002.

AUDITORS' REPORT ON THRESHOLD COMPLIANCE STATEMENT
Unison Networks Limited

Qualified Opinion

Our opinion is qualified as follows:

Quality Threshold: SAIDI and SAIFI statistics

The scope of our audit was subject to the following limitations:

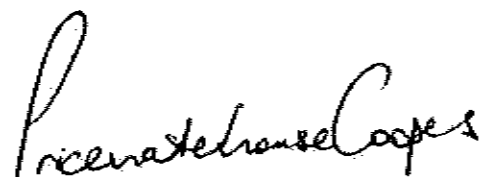
- As detailed in Appendix G of the threshold compliance statement, outage records are not available for the entire historical period;
- Prior to the implementation of a fault management system in 1999 control over the completeness and accuracy of outage records was limited;
- Interconnection point (ICP) records for the Rotorua and Taupo networks are not available prior to their acquisition by Unison Networks Limited in 2002; and
- Control over the completeness and accuracy of ICP data included in the SAIDI and SAIFI calculations is limited throughout the period.

Because of these limitations, there are no practical audit procedures that we could adopt to confirm independently that all outage and ICP data was properly recorded for the purposes of inclusion in the amounts or details set out in the quality threshold: SAIDI and SAIFI statistics.

In these respects alone we have not obtained all the information and explanations that we have required.

Because of the potential effect of the limitations in the evidence available to us, we are unable to form an opinion as to whether the amounts or details set out in the quality threshold: SAIDI and SAIFI statistics for the assessment period ended on 31 March 2010, together with the SAIDI and SAIFI statistics for the years ended 31 March 1999, 2000, 2001, 2002 and 2003, give a true and fair view of the performance of Unison Networks Limited against those parts of the quality threshold that are set out in clauses 6(1)(a) and 6(1)(b) of the Notice for the assessment period ended on 31 March 2010.

Our audit was completed on 21 May 2010 and our qualified and unqualified opinions are expressed as at that date.



PricewaterhouseCoopers
Auckland
21 May 2010

5 CERTIFICATION OF THRESHOLD COMPLIANCE STATEMENT

We, Kevin Henry Atkinson and John Richard Palairet, being Directors of Unison Networks Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached Threshold Compliance Statement of Unison Networks Limited, and related information, prepared for the purposes of the Commerce Act (Electricity Distribution Thresholds) Notice 2004 complies with the requirements of that notice.



Kevin Henry Atkinson
Chairman of Board of Directors
Unison Networks Limited



John Richard Palairet
Chairman of Audit Committee
Director
Unison Networks Limited

21 May 2010

APPENDIX A; PRICE AND QUANTITY EXPLANATORY INFORMATION**A1 Price**

The full pricing policy for both pricing regions can be viewed on Unison's website <http://www.unison.co.nz>

A2 Quantities

Quantities applied for Q₂₀₀₇ Historical Pricing Methodology

In 2007 quantities were rebased from 2003Q to 2007Q due to tariff restructuring that occurred during that assessment year. For further explanation please refer to the 2007 Threshold Compliance Statement. The base quantities for the year ending 31 March 2007 have been used to calculate Notional Revenue for the assessment period ending 31 March 2010.

A3 Transmission

Unison has passed through Loss and Constraint Excess Payments (LCEP) transparently to retailers over the entire regulatory period on the Hawke's Bay network and on the Rotorua and Taupo distribution networks since it acquired them on 1 November 2002. Unison has not changed the treatment of LCEP over the current Assessment Period.

Consistent with the Gazette Notice all other transmission costs have been treated as a pass through cost in the modelling. Avoided transmission charges from embedded generators have been included on all distribution networks. All transmission and avoided transmission information is readily available over the Assessment Period from invoice information.

A4 Local Authority Rates

The District and Regional Councils on the distribution networks that Unison owns and operates have a different financial year for rating purposes than the Assessment Period. In order to determine the actual rates paid over the Assessment Period Unison has annualised the rates (determined from Council invoices) for each District or Regional Council into a daily charge and applied that charge for the portion of days that the charge overlapped the Assessment Period.

A5 Electricity Commission Levies

Under Section 172ZC of the Electricity Amendment Act 2001, the Crown is authorised to recover the cost of the Electricity Commission via levies. These levies, payable

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during the assessment period, have been passed through in accordance with the Gazette Notice.

APPENDIX B; PRICE PATH THRESHOLD 5(1)(A)

B1 Calculating NR_{2010}

NR_{2010} is calculated by multiplying prices at 31 March 2010 by 2007 remapped quantities less the pass through costs incurred during the Assessment Period ending 31 March 2010.

Notional Revenue for the year ending 31 March 2010		
Term	Description	(\$)
$\sum P_{i,2010} Q_{i,2007}$	Prices at 31 March 2010 multiplied by 31 March 2007 Remapped Quantities	94,415,090
K_{2010}	Transmission Charges for year ending 31 March 2010	26,462,199
	Rates for year ending 31 March 2010	201,577
	Electricity Commission Levies for year ending 31 March 2010	217,297
$NR_{2010} = \sum P_{i,2010} Q_{i,2007} - K_{2010}$	Notional Revenue for the year ending 31 March 2010	67,534,017

B2 Calculating Rebased R_{2007}

Due to a pricing methodology change on 1 December 2006 Unison calculated a rebased R_{2007} . These values have previously been disclosed by Unison in the Threshold Compliance Statement for the assessment period ending 31 March 2007.

Maximum Notional Revenue at the reference date which would not have caused the distribution business to breach the price path under the Initial Notice		
Term	Description	(\$)
$\sum P_{i,2007} Q_{i,2007}$	Theoretical Prices at 31 March 2007 multiplied by 31 March 2007 Remapped Quantities	83,328,112
K_{2007}	Transmission Charges for year ending 31 March 2007	20,934,448
	Rates for year ending 31 March 2007	72,175
	Electricity Commission Levies for year ending 31 March 2007	173,717
$NR_{2007} = \sum P_{i,2007} Q_i - K_{2007}$	Notional Revenue for the year ending 31 March 2007	62,147,772

B3 Calculating R_{2010}

Allowable Notional Revenue under CPI -X price path

Allow able Notional Revenue under CPI -X price path		
Term	Description	(\$)
X	X Factor	0%
R_{2007}	Maximum Revenue at 31 March 2007 that would not have caused a breach under the Initial Notice	62,147,772
$(1+DCPI_{2008})$	Average change in Consumer Price Index over 2007	1.0238
$(1-X)$	1-X Factor	1.00
R_{2008}	Allow able Notional Revenue under the CPI-X Price Path for the year ended 31 March 2008	63,624,492
$(1+DCPI_{2009})$	Average change in Consumer Price Index over 2008	1.0396
$(1-X)$	1-X Factor	1.00
R_{2009}	Allow able Notional Revenue under the CPI-X Price Path for the year ended 31 March 2009	66,143,350
$(1+DCPI_{2010})$	Average change in Consumer Price Index over 2009	1.0212
$(1-X)$	1-X Factor	1.00
R_{2010}	Allow able Notional Revenue under the CPI-X Price Path for the year ended 31 March 2010	67,542,716
NR_{2010} / R_{2010}	Expression must be less than or equal to 1 to avoid breaching 5(1)(a)	0.9999
$R_{2010} - NR_{2010}$	Value of Compliance or (Breach)	8,699

For presentation purposes, the CPI Index has been shown to four decimal places; however for the calculation of R_{2010} , the full index (with no rounding) has been applied.

B4 Calculating Δ CPI₂₀₁₀

The Consumer Price Index (CPI) information has been obtained from information available from Statistics New Zealand on their website based on the All Groups Index, SE9A figure. The relevant quarterly figures were put into the appropriate formula to determine the average change in the CPI.

Δ CPI 2009			
Numerator		Denominator	
<i>CPI</i> _{Q1, 2008}	1044	<i>CPI</i> _{Q1, 2007}	1010
<i>CPI</i> _{Q2, 2008}	1061	<i>CPI</i> _{Q2, 2007}	1020
<i>CPI</i> _{Q3, 2008}	1077	<i>CPI</i> _{Q3, 2007}	1025
<i>CPI</i> _{Q4, 2008}	1072	<i>CPI</i> _{Q4, 2007}	1037
Total	4254	Total	4092
Δ CPI 2009		3.96%	

Source: Statistics New Zealand All Groups SE9A Index (Note this index was rebased to June 2006 - Consumers Price Index Review information paper published on 28 September 2006. The 2006 September quarter CPI was the first index published using the new base)

Δ CPI 2010			
Numerator		Denominator	
<i>CPI</i> _{Q1, 2009}	1075	<i>CPI</i> _{Q1, 2008}	1044
<i>CPI</i> _{Q2, 2009}	1081	<i>CPI</i> _{Q2, 2008}	1061
<i>CPI</i> _{Q3, 2009}	1095	<i>CPI</i> _{Q3, 2008}	1077
<i>CPI</i> _{Q4, 2009}	1093	<i>CPI</i> _{Q4, 2008}	1072
Total	4344	Total	4254
Δ CPI 2010		2.12%	

Source: Statistics New Zealand All Groups SE9A Index (Note this index was rebased to June 2006 - Consumers Price Index Review information paper published on 28 September 2006. The 2006 September quarter CPI was the first index published using the new base)

Appendix C; price path threshold 5 (1)(b)

C1 Determining NR_{max}

The maximum Notional Revenue during the Assessment Period from 1 April 2009 to 31 March 2010.

Maximum Notional Revenue for the period 1 April 2009 to 31 March 2010. P x Q using 31 March 2010 Prices and 31 March 2007 Remapped Quantities if there has been no change in prices over this period, otherwise the prices which generate the maximum notional revenue over the period when using 31 March 2007 quantities		
Term	Description	(\$)
$\Sigma P_{Max} Q_{i,2007}$	Maximum Price Between 1 April 2009 and 31 March 2010 multiplied by 31 March 2007 Remapped Quantities	94,415,090
K_{2010}	Transmission Charges for year ending 31 March 2010	26,462,199
	Rates Charges for year ending 31 March 2010	201,577
	Electricity Commission Levies for year ending 31 March 2010	217,297
NR_{Max}	Maximum Notional Revenue for 1 April 2009 to 31 March 2010	67,534,017

C2 Comparing NR_{max} with R_{2009} and R_{2010}

The Notional Revenue during the period is not to exceed the maximum of the starting and ending Allowable Notional Revenue for the period. The maximum of R_{2009} and R_{2010} is R_{2010} , as demonstrated below.

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 2009 to 31 March 2010	67,534,017
R_{2009}	Allowable Notional Revenue at 31 March 2009	66,143,350
R_{2010}	Allowable Notional Revenue at 31 March 2010	67,542,716
$Max(R_{2009}, R_{2010})$	Maximum of the Allowable Notional Revenue at 31 March 2009 and the Allowable Notional Revenue at 31 March 2010	67,542,716
$NR_{Max} / Max(R_{2009}, R_{2010})$	If expression is greater than 1, Clause 5 (1) (b) is breached	0.9999
$Max(R_{2009}, R_{2010}) - NR_{Max}$	Value of Compliance or (Breach)	8,699

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APPENDIX D; ACTUAL PRICES IMPLEMENTED 1 DECEMBER 2006 MULTIPLIED BY 2007 QUANTITIES

Actual Hawke's Bay rates for 1 December 2006, multiplied by 2007 quantities

Table with columns: CONSUMER GROUP, LOAD GROUP, PATTERN CLASS, CODE, Pi, 2007 (Fixed, Capacity, Demand, Variable Tariff), Q2007 (Volumes, Dedicated Asset, Demand, Customer Numbers, Days), and Revenue. Rows include Unmetered, Temporary Builder Supply, Mass Market, Small Commercial, Large Commercial, and Industrial categories.

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Actual Rotorua/Taupo rates for 1 December 2006 multiplied by 2007 quantities

Total Tariff (∑ P _{1,2007} Q ₂₀₀₇)													
CONSUMER GROUP	LOAD GROUP	PATTERN CLASS	CODE	P _{1,2007} FIXED TARIFF (\$/day)	P _{1,2007} CAPACITY TARIFF (\$/kVA capacity/day)	P _{1,2007} DEMAND TARIFF (\$/kW AMO/month)	P _{1,2007} VARIABLE TARIFF (c/kWh)	Q ₂₀₀₇ CONSUMPTION (kWh)	Q ₂₀₀₇ DEDICATED ASSET (M)	Q ₂₀₀₇ DEMAND (kW)	Q ₂₀₀₇ CUSTOMER NUMBERS (M)	Q ₂₀₀₇ DAYS (M)	∑ P _{1,2007} Q ₂₀₀₇ REVENUE
Unmetered - Rotorua & Taupo													
Unmetered	U01		E-R-U01-UNMT				\$ 0.0604	296,038				365	\$ 23,801
Unmetered	U02		E-R-U02-UNMT				\$ 0.0604	4,207,040				365	\$ 338,245
Unmetered	U08		F-R-U08	\$ 2,2700								365	\$ -
Unmetered	U09		F-R-U09	\$ 6,0400								365	\$ -
Total								4,503,078					\$ 362,048
Temporary Builder Supply (metered) - Rotorua & Taupo													
TBS	T1P		F-R-T1P	\$ 56,0000								365	\$ -
TBS	T1P		F-R-T1P-24UC				\$ 0.0762	-				365	\$ -
TBS	T3P		F-R-T3P	\$ 1,7500								365	\$ -
TBS	T3P		E-R-T3P-24UC				\$ 0.0697	-				365	\$ -
Total													\$ -
Mass Market - Rotorua only													
Mass Market	M11		F-R-M11	\$ 0.1500							13,854	365	\$ 758,507
Mass Market	M11	AICO	E-R-M11-AICO				\$ 0.0632	68,119,544				365	\$ 4,305,155
Mass Market	M11	CTRL	E-R-M11-CTRL				\$ 0.0446	2,560,160				365	\$ 114,094
Mass Market	M11	NITE	E-R-M11-NITE				\$ 0.0446	2,029,489				365	\$ 90,515
Mass Market	M12		F-R-M12	\$ 0.5600						12,994	365	\$ 2,555,871	
Mass Market	M12	AICO	E-R-M12-AICO				\$ 0.0445	110,750,065				365	\$ 4,926,378
Mass Market	M12	CTRL	E-R-M12-CTRL				\$ 0.0269	5,913,633				365	\$ 156,387
Mass Market	M12	NITE	E-R-M12-NITE				\$ 0.0269	3,864,154				365	\$ 98,566
Total								192,935,053			26,848		\$ 13,107,473
Mass Market - Taupo only													
Mass Market	M11		F-T-M11	\$ 0.1500						6,520	365	\$ 356,970	
Mass Market	M11	AICO	E-T-M11-AICO				\$ 0.0626	26,190,359				365	\$ 1,644,755
Mass Market	M11	CTRL	E-T-M11-CTRL				\$ 0.0443	4,680,547				365	\$ 207,349
Mass Market	M11	NITE	E-T-M11-NITE				\$ 0.0443	1,919,726				365	\$ 85,044
Mass Market	M12		F-T-M12	\$ 0.5600						6,365	365	\$ 1,301,657	
Mass Market	M12	AICO	E-T-M12-AICO				\$ 0.0441	55,734,216				365	\$ 2,457,879
Mass Market	M12	CTRL	E-T-M12-CTRL				\$ 0.0267	6,210,168				365	\$ 219,211
Mass Market	M12	NITE	E-T-M12-NITE				\$ 0.0267	3,890,301				365	\$ 103,871
Total								100,625,216			12,885		\$ 6,376,135
Small Commercial - Rotorua & Taupo													
Small Commercial	S20		F-R-S20	\$ 1,7500							3,884	365	\$ 2,353,155
Small Commercial	S20	24UC	E-R-S20-24UC				\$ 0.0470	95,281,219				365	\$ 4,478,217
Small Commercial	S20	CTRL	E-R-S20-CTRL				\$ 0.0222	4,414,594				365	\$ 98,004
Small Commercial	S20	NITE	E-R-S20-NITE				\$ 0.0123	6,531,375				365	\$ 80,336
Small Commercial	S20	CTUD	E-R-S20-CTUD				\$ 0.0597	-				365	\$ -
Small Commercial	S20	CTUN	E-R-S20-CTUN				\$ 0.0097	-				365	\$ -
Small Commercial	S20	SAAD	E-R-S20-SAAD				\$ 0.0106	2,142,907				365	\$ 22,715
Small Commercial	S20	WAAD	E-R-S20-WAAD				\$ 0.0125	1,458,231				365	\$ 18,234
Small Commercial	S20	AAAN	E-R-S20-AAAN				\$ 0.0060	1,268,300				365	\$ 6,342
Small Commercial	S20	DMND	E-R-S20-DMND			\$ 5,3000			12,175			365	\$ 64,527
Small Commercial	S22		F-R-S22	\$ 11,9800						157	365	\$ 680,783	
Small Commercial	S22	AICO	E-R-S22-AICO				\$ 0.0449	12,126,262				365	\$ 544,424
Small Commercial	S22	CTRL	E-R-S22-CTRL				\$ 0.0212	1,253,753				365	\$ 26,580
Small Commercial	S22	NITE	E-R-S22-NITE				\$ 0.0118	565,606				365	\$ 6,674
Small Commercial	S22	CTUD	E-R-S22-CTUD				\$ 0.0572	-				365	\$ -
Small Commercial	S22	CTUN	E-R-S22-CTUN				\$ 0.0083	-				365	\$ -
Small Commercial	S22	SAAD	E-R-S22-SAAD				\$ 0.0095	6,977,933				365	\$ 69,312
Small Commercial	S22	WAAD	E-R-S22-WAAD				\$ 0.0100	4,667,736				365	\$ 46,677
Small Commercial	S22	AAAN	E-R-S22-AAAN				\$ 0.0040	4,102,015				365	\$ 16,408
Small Commercial	S22	DMND	E-R-S22-DMND			\$ 5,3000			39,369			365	\$ 238,627
Small Commercial	S24		F-R-S24	\$ 23,7600						46	365	\$ 398,930	
Small Commercial	S24	AICO	E-R-S24-AICO				\$ 0.0444	7,242,935				365	\$ 321,686
Small Commercial	S24	CTRL	E-R-S24-CTRL				\$ 0.0210	180,636				365	\$ 3,371
Small Commercial	S24	NITE	E-R-S24-NITE				\$ 0.0116	-				365	\$ -
Small Commercial	S24	CTUD	E-R-S24-CTUD				\$ 0.0585	-				365	\$ -
Small Commercial	S24	CTUN	E-R-S24-CTUN				\$ 0.0082	-				365	\$ -
Small Commercial	S24	SAAD	E-R-S24-SAAD				\$ 0.0080	4,159,551				365	\$ 33,269
Small Commercial	S24	WAAD	E-R-S24-WAAD				\$ 0.0094	3,194,787				365	\$ 30,931
Small Commercial	S24	AAAN	E-R-S24-AAAN				\$ 0.0037	2,597,421				365	\$ 9,510
Small Commercial	S24	DMND	E-R-S24-DMND			\$ 5,3000			24,877			365	\$ 131,848
Small Commercial	S26		F-R-S26	\$ 29,7000						18	365	\$ 106,129	
Small Commercial	S26	AICO	E-R-S26-AICO				\$ 0.0444	2,910,367				365	\$ 129,220
Small Commercial	S26	CTRL	E-R-S26-CTRL				\$ 0.0210	-				365	\$ -
Small Commercial	S26	NITE	E-R-S26-NITE				\$ 0.0116	-				365	\$ -
Small Commercial	S26	CTUD	E-R-S26-CTUD				\$ 0.0565	-				365	\$ -
Small Commercial	S26	CTUN	E-R-S26-CTUN				\$ 0.0082	-				365	\$ -
Small Commercial	S26	SAAD	E-R-S26-SAAD				\$ 0.0080	7,478,889				365	\$ 49,861
Small Commercial	S26	WAAD	E-R-S26-WAAD				\$ 0.0094	5,604,232				365	\$ 52,680
Small Commercial	S26	AAAN	E-R-S26-AAAN				\$ 0.0037	4,623,014				365	\$ 17,109
Small Commercial	S26	DMND	E-R-S26-DMND			\$ 5,3000			44,267			365	\$ 234,617
Total								178,760,950		120,688	3,905		\$ 10,328,275
Large Commercial - Rotorua & Taupo													
Commercial	L40		F-R-L40	\$ 17,8800							121	365	\$ 788,787
Commercial	L40	24UC	E-R-L40-24UC				\$ 0.0482	-				365	\$ -
Commercial	L40	SAAD	E-R-L40-SAAD				\$ 0.0119	47,440,547				365	\$ 564,543
Commercial	L40	WAAD	E-R-L40-WAAD				\$ 0.0140	35,200,224				365	\$ 492,803
Commercial	L40	AAAN	E-R-L40-AAAN				\$ 0.0056	29,211,400				365	\$ 163,584
Commercial	L40	DMND	E-R-L40-DMND			\$ 5,3000			206,675			365	\$ 1,519,379
Commercial	L40	A030	F-R-L40-A030		\$ 6,5700							365	\$ -
Commercial	L40	A075	F-R-L40-A075		\$ 9,0400							365	\$ -
Commercial	L40	A100	F-R-L40-A100		\$ 10,6800							365	\$ -
Commercial	L40	R0MU	F-R-L40-R0MU		\$ 6,5700							365	\$ -
Commercial	L40	ABSW	F-R-L40-ABSW		\$ 1,0300							365	\$ -
Commercial	L40	OLSW	F-R-L40-OLSW		\$ 2,4700							365	\$ -
Commercial	L40	F0SSW	F-R-L40-F0SSW		\$ 3,2900							365	\$ -
Commercial	L40	CRBK	F-R-L40-CRBK		\$ 14,3800							365	\$ -
Total								111,852,172		286,675	121		\$ 3,529,095
Industrial - Rotorua & Taupo													
Industrial	I60		E-T-I60-TAIC	\$ 4,780				104,296,680			1	365	\$ 1,744,700
Industrial	I60		E-R-I60-TAIC	\$ 781,5800				0			1	365	\$ 295,277
Total								104,296,680			2		\$ 2,029,976.70
All groups													
Grand total								692,973,249		407,364	43,761		\$ 35,733,003

Summary

The following table summarises the P x Q schedules from above.

Region	Σ Actual $P_{i,2007}Q_{2007}$
Hawke's Bay	\$ 47,569,852
Rotorua/Taupo	\$ 35,733,003
Total	\$ 83,302,855

DS5001

Threshold Compliance Statement



Actual Rotorua/Taupo rates for 31 March 2010, multiplied by 2007 remapped quantities

Total Tariff (Σ P ₂₀₁₀ Q ₂₀₀₇) Q07 at P10																
CONSUMER GROUP	LOAD GROUP	PATTERN CLASS	CODE	P1,2010 FIXED TARIFF (\$/day)	P1,2010 CAPACITY TARIFF (\$/kVA capacity/day)	P1,2010 DEMAND TARIFF (\$/kW AMD/month)	P1,2010 VARIABLE TARIFF (c/kWh)	Q2007 CONSUMPTION (kWh)	Q2007 DEDICATED ASSET (#)	Q2007 DEMAND (kW)	Q2007 CUSTOMER NUMBERS (#)	Q2007 DAYS (#)	Σ P1,2010 Q2007 REVENUE			
Unmetered - Rotorua & Taupo																
Unmetered	U01		E-R-U01-UNMT				\$ 0.0993	296,038				365	29,397			
Unmetered	U02		E-R-U02-UNMT				\$ 0.0993	4,207,040				365	417,759			
Unmetered	U08		F-R-U08									365				
Unmetered	U09		F-R-U09									365				
Total								4,503,078					447,156			
Temporary Builder Supply (metered) - Rotorua & Taupo																
TBS	T1P		F-R-T1P	\$ 0.69								365	0			
TBS	T3P		E-R-T3P-24UC				\$ 0.0833					365	0			
TBS	T3P		F-R-T3P	\$ 1.90								365	0			
TBS	T3P		E-R-T3P-24UC				\$ 0.0836					365	0			
Total													0			
Mass Market - Rotorua & Taupo																
Mass Market	M11		F-R-M11	\$ 0.15							20,374	365	1,115,477			
Mass Market	M11	AICO	E-R-M11-AICO				\$ 0.0801	85,372,515				365	6,838,338			
Mass Market	M11	CTRL	E-R-M11-CTRL				\$ 0.0580	7,005,232				365	406,303			
Mass Market	M11	NITE	E-R-M11-NITE				\$ 0.0376	2,839,225				365	106,755			
Mass Market	M11	24UC	E-R-M11-24UC				\$ 0.0896	9,616,007				365	861,594			
Mass Market	M11	CTUD	E-R-M11-CTUD				\$ 0.1146	423,085				365	48,496			
Mass Market	M11	CTUN	E-R-M11-CTUN				\$ 0.0148	241,768				365	3,578			
Mass Market	M12		F-R-M12	\$ 0.6875							19,359	365	4,857,899			
Mass Market	M12	AICO	E-R-M12-AICO				\$ 0.0560	128,893,185				365	7,218,018			
Mass Market	M12	CTRL	E-R-M12-CTRL				\$ 0.0348	15,099,147				365	525,450			
Mass Market	M12	NITE	E-R-M12-NITE				\$ 0.0153	5,991,493				365	91,670			
Mass Market	M12	24UC	E-R-M12-24UC				\$ 0.0651	34,264,269				365	2,230,604			
Mass Market	M12	CTUD	E-R-M12-CTUD				\$ 0.0833	2,474,793				365	206,150			
Mass Market	M12	CTUN	E-R-M12-CTUN				\$ 0.0108	1,339,649				365	14,468			
Total								293,560,368			39,733		24,524,791			
Small Commercial - Rotorua & Taupo																
Small Commercial	S20	24UC	F-R-S20	\$ 1.90							3,684	365	2,554,854			
Small Commercial	S20	24UC	E-R-S20-24UC				\$ 0.0500	95,281,219				365	4,764,061			
Small Commercial	S20	CTRL	E-R-S20-CTRL				\$ 0.0236	4,414,594				365	104,184			
Small Commercial	S20	NITE	E-R-S20-NITE				\$ 0.0131	6,531,375				365	85,561			
Small Commercial	S20	CTUD	E-R-S20-CTUD				\$ 0.0636					365	0			
Small Commercial	S20	CTUN	E-R-S20-CTUN				\$ 0.0092					365	0			
Small Commercial	S20	SOPD	E-R-S20-SOPD				\$ 3.26			9,182		365	29,932			
Small Commercial	S20	WOPD	E-R-S20-WOPD				\$ 9.61			7,293		365	70,088			
Small Commercial	S20	DMND	E-R-S20-DMND				\$ 2.71			12,175		365	32,994			
Small Commercial	S22		F-R-S22	\$ 9.49							157	365	543,824			
Small Commercial	S22	24UC	E-R-S22-24UC				\$ 0.0484	12,125,252				365	586,862			
Small Commercial	S22	CTRL	E-R-S22-CTRL				\$ 0.0228	1,253,753				365	28,586			
Small Commercial	S22	NITE	E-R-S22-NITE				\$ 0.0127	565,606				365	7,183			
Small Commercial	S22	CTUD	E-R-S22-CTUD				\$ 0.0615					365	0			
Small Commercial	S22	CTUN	E-R-S22-CTUN				\$ 0.0089					365	0			
Small Commercial	S22	SOPD	E-R-S22-SOPD				\$ 3.20			26,003		365	83,208			
Small Commercial	S22	WOPD	E-R-S22-WOPD				\$ 9.45			19,661		365	185,797			
Small Commercial	S22	DMND	E-R-S22-DMND				\$ 2.58			39,369		365	101,573			
Small Commercial	S24		F-R-S24	\$ 18.99							46	365	318,940			
Small Commercial	S24	24UC	E-R-S24-24UC				\$ 0.0467	7,242,935				365	338,245			
Small Commercial	S24	CTRL	E-R-S24-CTRL				\$ 0.0220	160,535				365	3,532			
Small Commercial	S24	NITE	E-R-S24-NITE				\$ 0.0122					365	0			
Small Commercial	S24	CTUD	E-R-S24-CTUD				\$ 0.0594					365	0			
Small Commercial	S24	CTUN	E-R-S24-CTUN				\$ 0.0086					365	0			
Small Commercial	S24	SOPD	E-R-S24-SOPD				\$ 3.14			20,913		365	65,667			
Small Commercial	S24	WOPD	E-R-S24-WOPD				\$ 9.27			15,329		365	142,096			
Small Commercial	S24	DMND	E-R-S24-DMND				\$ 2.45			24,877		365	60,948			
Small Commercial	S26	24UC	F-R-S26	\$ 28.48							18	365	187,114			
Small Commercial	S26	24UC	E-R-S26-24UC				\$ 0.0467	2,910,367				365	135,914			
Small Commercial	S26	CTRL	E-R-S26-CTRL				\$ 0.0220					365	0			
Small Commercial	S26	NITE	E-R-S26-NITE				\$ 0.0122					365	0			
Small Commercial	S26	CTUD	E-R-S26-CTUD				\$ 0.0594					365	0			
Small Commercial	S26	CTUN	E-R-S26-CTUN				\$ 0.0086					365	0			
Small Commercial	S26	SOPD	E-R-S26-SOPD				\$ 3.14			25,867		365	81,223			
Small Commercial	S26	WOPD	E-R-S26-WOPD				\$ 9.27			18,826		365	174,517			
Small Commercial	S26	DMND	E-R-S26-DMND				\$ 2.45			44,267		365	108,455			
Total								130,485,636		263,762		3,905	10,795,260			
Large Commercial - Rotorua & Taupo																
Commercial	L40	24UC	F-R-L40	\$ 17.30							121	365	764,055			
Commercial	L40	24UC	E-R-L40-24UC				\$ 0.0519					365				
Commercial	L40	SOPD	E-R-L40-SOPD				\$ 2.34			178,379		365	417,408			
Commercial	L40	WOPD	E-R-L40-WOPD				\$ 7.90			135,053		365	1,066,918			
Commercial	L40	DMND	E-R-L40-DMND				\$ 2.95			286,675		365	845,692			
Commercial	L40	A020	F-R-L40-T020			\$ 5,4700						365				
Commercial	L40	A030	F-R-L40-T030			\$ 6,3200						365				
Commercial	L40	A050	F-R-L40-T050			\$ 8,1200						365				
Commercial	L40	A075	F-R-L40-T075			\$ 9,7100						365				
Commercial	L40	A100	F-R-L40-T100			\$ 10,8200						365				
Commercial	L40	RGBU	F-R-L40-RGBU			\$ 5,5300						365				
Commercial	L40	ABSW	F-R-L40-ABSW			\$ 0,2100						365				
Commercial	L40	OLSW	F-R-L40-OLSW			\$ 2,0600						365				
Commercial	L40	FSSW	F-R-L40-FSSW			\$ 2,7600						365				
Commercial	L40	CRBK	F-R-L40-CRBK			\$ 11,6300						365				
Total										600,107	121		3,094,072			
Industrial - Rotorua & Taupo																
Industrial	I60		E-T-I60-TAIC	\$ 946.08								1	365	345,319		
Industrial	I60		E-T-I60-TAIC	\$ 909.48								1	365	331,960		
Industrial	I60		E-R-I60-TAIC	\$ 678.81								1	365	247,765		
Total												3	925,045			
All groups																
Grand total								428,549,082		863,869	43,762		39,786,324			

Summary

The following table summarises the P x Q schedules from above.

Region	Σ Actual $P_{i,2010}Q_{2007}$
Hawke's Bay	\$ 54,628,766
Rotorua/Taupo	\$ 39,786,324
Total	\$ 94,415,090

DS5001

Threshold Compliance Statement



Actual Rotorua/Taupo rates effective from 1 April 2009, multiplied by 2007 remapped quantities

Total Tariff (Σ P ₂₀₀₉ Q ₂₀₀₇) Q07 at P10													
CONSUMER GROUP	LOAD GROUP	PATTERN CLASS	CODE	PI,2010 FIXED TARIFF (\$/day)	PI,2010 CAPACITY TARIFF (\$/kVA capacity/day)	PI,2010 DEMAND TARIFF (\$/kW AMD/month)	PI,2010 VARIABLE TARIFF (c/kWh)	Q2007 CONSUMPTION (kWh)	Q2007 DEDICATED ASSET (#)	Q2007 DEMAND (kW)	Q2007 CUSTOMER NUMBERS (#)	Q2007 DAYS (#)	Σ PI,2010 Q2007 REVENUE
Unmetered - Rotorua & Taupo													
Unmetered	U01		E-R-U01-LNMT				\$ 0.0993	296,038				365	29,397
Unmetered	U02		E-R-U02-LNMT				\$ 0.0993	4,207,040				365	417,759
Unmetered	U08		F-R-U08									365	
Unmetered	U09		F-R-U09									365	
Total								4,503,078					447,156
Temporary Builder Supply (metered) - Rotorua & Taupo													
TBS	T1P		F-R-T1P	\$ 0.69								365	0
TBS	T1P		E-R-T1P-24UC				\$ 0.0833					365	0
TBS	T3P		F-R-T3P	\$ 1.90								365	0
TBS	T3P		E-R-T3P-24UC				\$ 0.0636					365	0
Total													0
Mass Market - Rotorua & Taupo													
Mass Market	M11		F-R-M11	\$ 0.15							20,374	365	1,115,477
Mass Market	M11	AICO	E-R-M11-AICO				\$ 0.0801	85,372,515				365	6,838,338
Mass Market	M11	CTRL	E-R-M11-CTRL				\$ 0.0580	7,005,232				365	406,303
Mass Market	M11	NITE	E-R-M11-NITE				\$ 0.0376	2,839,225				365	106,755
Mass Market	M11	24UC	E-R-M11-24UC				\$ 0.0896	9,616,007				365	861,594
Mass Market	M11	CTUD	E-R-M11-CTUD				\$ 0.1146	423,085				365	48,486
Mass Market	M11	CTUN	E-R-M11-CTUN				\$ 0.0148	241,768				365	3,578
Mass Market	M12		F-R-M12	\$ 0.6875							19,359	365	4,857,899
Mass Market	M12	AICO	E-R-M12-AICO				\$ 0.0560	128,893,185				365	7,218,018
Mass Market	M12	CTRL	E-R-M12-CTRL				\$ 0.0348	15,038,147				365	525,450
Mass Market	M12	NITE	E-R-M12-NITE				\$ 0.0153	5,991,493				365	91,670
Mass Market	M12	24UC	E-R-M12-24UC				\$ 0.0651	34,264,269				365	2,230,604
Mass Market	M12	CTUD	E-R-M12-CTUD				\$ 0.0833	2,474,793				365	206,150
Mass Market	M12	CTUN	E-R-M12-CTUN				\$ 0.0108	1,339,649				365	14,468
Total								293,560,368			39,733		24,524,791
Small Commercial - Rotorua & Taupo													
Small Commercial	S20		F-R-S20	\$ 1.90							3,684	365	2,554,854
Small Commercial	S20	24UC	E-R-S20-24UC				\$ 0.0500	95,281,219				365	4,764,061
Small Commercial	S20	CTRL	E-R-S20-CTRL				\$ 0.0236	4,414,594				365	104,184
Small Commercial	S20	NITE	E-R-S20-NITE				\$ 0.0131	6,531,375				365	85,561
Small Commercial	S20	CTUD	E-R-S20-CTUD				\$ 0.0636				365	0	
Small Commercial	S20	CTUN	E-R-S20-CTUN				\$ 0.0092				365	0	
Small Commercial	S20	SOPD	E-R-S20-SOPD			\$ 3.28			9,182			365	29,832
Small Commercial	S20	WOPD	E-R-S20-WOPD			\$ 9.61			7,293			365	70,088
Small Commercial	S20	DMND	E-R-S20-DMND			\$ 2.71				12,175		365	32,994
Small Commercial	S22		F-R-S22	\$ 9.49							157	365	543,824
Small Commercial	S22	24UC	E-R-S22-24UC				\$ 0.0484	12,125,252				365	586,862
Small Commercial	S22	CTRL	E-R-S22-CTRL				\$ 0.0228	1,253,753				365	28,586
Small Commercial	S22	NITE	E-R-S22-NITE				\$ 0.0127	565,606				365	7,183
Small Commercial	S22	CTUD	E-R-S22-CTUD				\$ 0.0815				365	0	
Small Commercial	S22	CTUN	E-R-S22-CTUN				\$ 0.0089				365	0	
Small Commercial	S22	SOPD	E-R-S22-SOPD			\$ 3.20			26,003			365	83,208
Small Commercial	S22	WOPD	E-R-S22-WOPD			\$ 9.45			19,661			365	185,797
Small Commercial	S22	DMND	E-R-S22-DMND			\$ 2.58				39,369		365	101,573
Small Commercial	S24		F-R-S24	\$ 18.99							46	365	318,842
Small Commercial	S24	24UC	E-R-S24-24UC				\$ 0.0467	7,242,935				365	338,245
Small Commercial	S24	CTRL	E-R-S24-CTRL				\$ 0.0220	160,535				365	3,532
Small Commercial	S24	NITE	E-R-S24-NITE				\$ 0.0122					365	0
Small Commercial	S24	CTUD	E-R-S24-CTUD				\$ 0.0594				365	0	
Small Commercial	S24	CTUN	E-R-S24-CTUN				\$ 0.0086				365	0	
Small Commercial	S24	SOPD	E-R-S24-SOPD			\$ 3.14			20,913			365	65,667
Small Commercial	S24	WOPD	E-R-S24-WOPD			\$ 9.27			15,329			365	142,096
Small Commercial	S24	DMND	E-R-S24-DMND			\$ 2.45			24,877			365	60,948
Small Commercial	S26		F-R-S26	\$ 28.48							18	365	187,114
Small Commercial	S26	24UC	E-R-S26-24UC				\$ 0.0467	2,910,367				365	135,914
Small Commercial	S26	CTRL	E-R-S26-CTRL				\$ 0.0220					365	0
Small Commercial	S26	NITE	E-R-S26-NITE				\$ 0.0122					365	0
Small Commercial	S26	CTUD	E-R-S26-CTUD				\$ 0.0594				365	0	
Small Commercial	S26	CTUN	E-R-S26-CTUN				\$ 0.0086				365	0	
Small Commercial	S26	SOPD	E-R-S26-SOPD			\$ 3.14			25,867			365	81,223
Small Commercial	S26	WOPD	E-R-S26-WOPD			\$ 9.27			18,826			365	174,517
Small Commercial	S26	DMND	E-R-S26-DMND			\$ 2.45			44,267			365	108,455
Total								130,485,636		263,762	3,905		10,795,260
Large Commercial - Rotorua & Taupo													
Commercial	L40		F-R-L40	\$ 17.30							121	365	764,055
Commercial	L40	24UC	E-R-L40-24UC				\$ 0.0519					365	
Commercial	L40	SOPD	E-R-L40-SOPD				\$ 2.34			178,379		365	417,408
Commercial	L40	WOPD	E-R-L40-WOPD				\$ 7.90			135,053		365	1,066,918
Commercial	L40	DMND	E-R-L40-DMND				\$ 2.95			286,675		365	845,692
Commercial	L40	A020	F-R-L40-T020		\$ 5,4700							365	
Commercial	L40	A030	F-R-L40-T030		\$ 6,3200							365	
Commercial	L40	A050	F-R-L40-T050		\$ 8,1200							365	
Commercial	L40	A075	F-R-L40-T075		\$ 9,7100							365	
Commercial	L40	A100	F-R-L40-T100		\$ 10,8200							365	
Commercial	L40	RGMU	F-R-L40-RGMU		\$ 5,5300							365	
Commercial	L40	ABSW	F-R-L40-ABSW		\$ 2,0100							365	
Commercial	L40	OLSW	F-R-L40-OLSW		\$ 2,0600							365	
Commercial	L40	FSSW	F-R-L40-FSSW		\$ 2,7600							365	
Commercial	L40	CRBK	F-R-L40-CRBK		\$ 11,6300							365	
Total										600,107	121		3,094,072
Industrial - Rotorua & Taupo													
Industrial	I60		E-T-I60-TAIC	\$ 946.08							1	365	345,319
Industrial	I60		E-T-I60-TAIC	\$ 909.48							1	365	331,960
Industrial	I60		E-R-I60-TAIC	\$ 678.81							1	365	247,766
Total											3		925,045
All groups													
Grand total								428,549,082		863,869	43,762		39,786,324

Summary

The following table summarises the P x Q schedules from above.

Region	$\Sigma \text{Max } P_{i,2010}Q_{2007}$
Hawke's Bay	\$ 54,628,766
Rotorua/Taupo	\$ 39,786,324
Total	\$ 94,415,090

APPENDIX G; QUALITY THRESHOLD – EXPLANATORY INFORMATION**G1 Assumptions used in Quality calculations**

The formulae as specified in clauses 6(1)(a) and 6(1)(b) of the Gazette Notice for the calculation of SAIDI and SAIFI uses the five-year average SAIDI and SAIFI of Unison to 31 March 2003 as disclosed under clauses 6(1)(a) and 6(1)(b) of the Initial Notice. The issues associated with the five-year average SAIDI and SAIFI as previously disclosed by Unison in the Threshold Compliance Statement for the second assessment date and outlined below are still relevant.

The calculation of the quality threshold requires SAIDI and SAIFI information relating to periods when Unison did not own the Rotorua and Taupo distribution networks as these were acquired from United Networks Limited on 1 November 2002. Although information on these networks relating to periods prior to acquisition exists, there are gaps in some of this information over the required period. On the Hawke's Bay distribution network, data is readily available for most of the reporting period; however there are two months where data is unavailable in the 1999 year as Unison changed fault recording systems during this period.

The availability of outage data for each of the distribution networks is as follows:

- Hawke's Bay, June 1998 to present
- Rotorua and Taupo, July 2000 to October 2002 using data provided by United Network Limited (UNL)
- Rotorua and Taupo, November 2002 to present (Unison Networks Limited data)

Where outage data is unavailable and a figure has been required, Unison has extrapolated from the ten months of data in the 1998/1999 financial year on the Hawke's Bay distribution network, and has used an average figure from the three subsequent financial year's data on the Rotorua and Taupo distribution networks. However, one of the major challenges has been to extract performance data for Rotorua and Taupo from the data available for UNL. The main reason for this is the fact that Rotorua and Taupo formed part of the Eastern Region of UNL. As a result data had to be extracted from the Eastern' Regions data and a number of assumptions had to be made in this process.

In addition to problems sourcing historical outage information similar problems have been encountered with sourcing historical customer numbers. Customer numbers used in the historical SAIDI and SAIFI calculations have been sourced from disclosure information on the Hawke's Bay distribution network and from information supplied during the acquisition process for the Rotorua and Taupo distribution networks.

G2 Policies and Procedures for Recording Outages

Unison's policies and procedures for recording outages are contained within the Unison Control Centre documents. Unison's SCADA system time stamps and records every switching event that occurs on the system. Some of Unison's field assets (such as switches) communicate directly with the SCADA control system showing real time changes in status. Unison has some field assets that do not communicate directly with the SCADA control system. The status of this equipment is communicated to a system operator by radio from either a fault person or line mechanic who operates the remote equipment. The system operator updates the status of the equipment in the SCADA system manually based on this information which in turn is time stamped and logged.

The SCADA system reports outages to a Fault Management System (FMS). The FMS determines the number of customers that are affected by the outage, outage time and the customer minutes lost during the outage. The information required to complete this calculation is retrieved from a combination of spreadsheet and database systems that record customer numbers between switchable elements on the network. The customer numbers within the FMS are updated automatically from both Unison's asset database and geospatial information system which in turn is linked to Unison's billing and customer database.

Customer numbers on the entire distribution network are maintained and updated both in an internal database that is used for billing purposes and externally on a national database (the MARIA registry). Through the billing process third party verification of customer numbers is audited by external parties (retailers) who maintain independent customer databases.

In order to determine SAIDI the total customer minutes lost over the Assessment Period is divided by the average customer numbers, calculated by taking the average customer numbers between the beginning and end of the Assessment Period. SAIFI is calculated by dividing the total cumulative number of customers off over the Assessment Period by the average customer numbers as used in the SAIDI calculation.

APPENDIX H; QUALITY THRESHOLD 6(1)(A)

The five year average SAIDI as previously disclosed by Unison compared with the 2009/10 result is tabulated below:

Year	SAIDI (Interruption Duration)		
	Class B	Class C	Total
1999	82.46	93.03	175.49
2000	75.62	72.74	148.36
2001	89.35	97.03	186.38
2002	52.75	67.85	120.60
2003	40.84	91.84	132.68
	Five Year Average SAIDI		152.70
2010	38.04	72.84	110.88

APPENDIX I; QUALITY THRESHOLD 6(1)(B)

The five year average SAIFI as previously disclosed by Unison compared with the 2009/10 result is tabulated below:

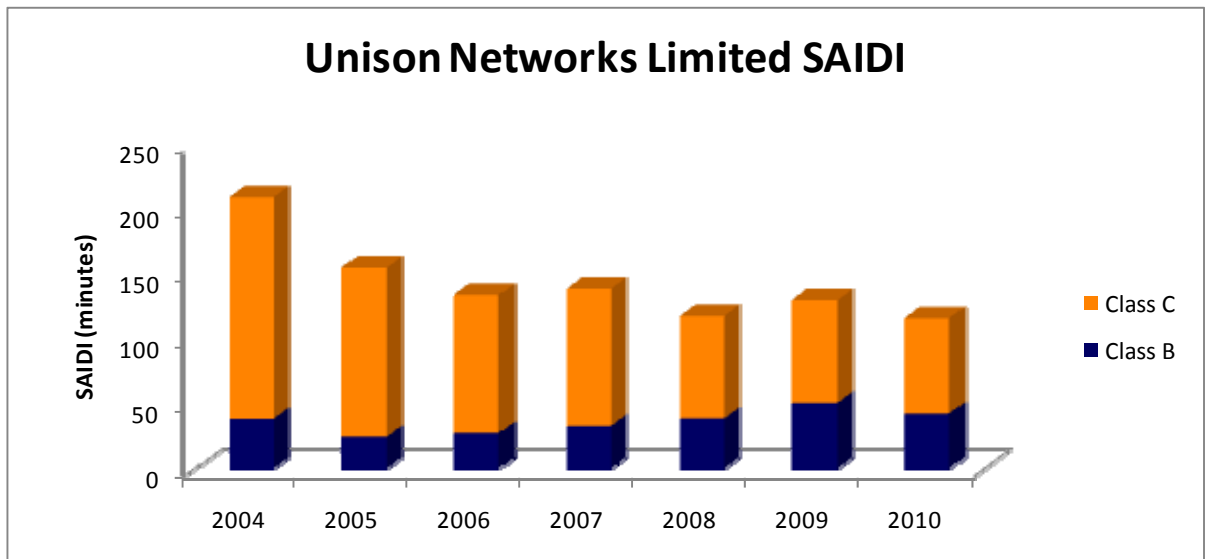
Year	SAIFI (Interruption Frequency)		
	Class B	Class C	Total
1999	0.83	1.65	2.48
2000	0.81	1.29	2.10
2001	0.98	1.92	2.90
2002	0.60	1.64	2.24
2003	0.53	1.69	2.22
	Five Year Average SAIFI		2.39
2010	0.20	1.39	1.59

APPENDIX J; SAIDI AND SAIFI TARGETS AND TRENDS

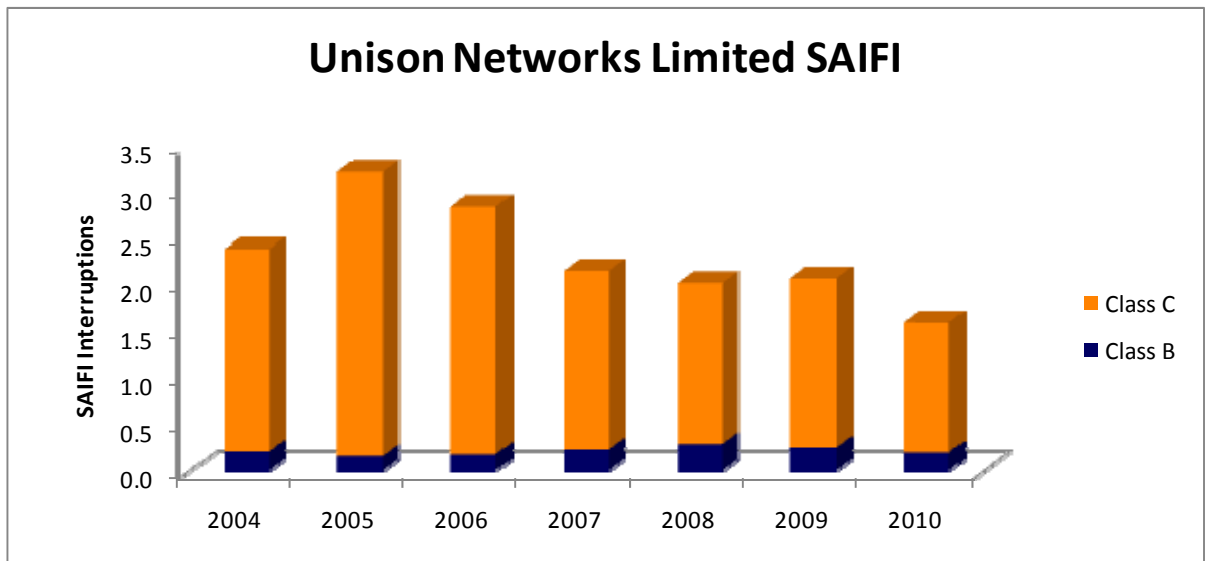
To manage performance levels provided to the larger volume of consumers where Unison does not have direct contact, the Company has adopted the industry measures of SAIDI and SAIFI.

The 2007 Asset Management Plan and the Company’s Statement of Corporate Intent has a Network SAIDI target of <153 and a Network SAIFI target of <2.39. Both these targets were achieved in the year ended 31 March 2010.

The graph below shows the Hawke’s Bay and Taupo/Rotorua (Central Regions) contribution to SAIDI 12 month moving average. The graph indicates a decreasing trend of the SAIDI average.



The graph below shows the Hawke’s Bay and Taupo/Rotorua (Central Regions) contribution to SAIFI 12 month moving average. The graph indicates a decreasing trend of the SAIFI average.



The decreasing trend in the SAIDI and SAIFI 12 month moving for Hawke's Bay and Central region averages indicate a positive consequence of Unison's escalation of its CAPEX program and significant investment in the Network.

In summary, Unison while maintaining prices in real terms (in line with the Commerce Commission's CPI-X Threshold) has delivered improved quality performance

CLARIFICATION

Clarification of any matter referred to in this document should be directed to:

Commercial Manager
Unison Networks Ltd
PO Box 555
1101 Omahu Rd
HASTINGS
Ph (06) 873 9300 Fax (06) 873 9311