

Recalculated Reconciled Levy Rates for the Year Ended 30 June 2010

The Electricity Authority has recalculated reconciled annual levy rates for the financial years ended 30 June 2008, 2009 and 2010. This was carried out after a participant questioned the interpretation of distributor in relation to a particular point of connection. The Authority investigated the claim and agreed with the participant's interpretation.

The impact of the issue is significant to the participant involved and it was therefore considered appropriate and necessary to recalculate the reconciled levy rates for the three financial years affected. This issue impacts distributor participant totals only and affected parties were issued with invoices on 30 June 2011.

Levy calculation

The information used to determine the recalculated reconciled annual levy rates for the financial year ended 30 June 2010 is as follows:

1) Calculate costs payable by participant class per activity for the year

Participant Class	Common Quality	Market	Registry & Consumer	Supply Security	Transmission	Electricity Efficiency	Other Activities	MACQS Reform
	\$ (GST exclusive)							
Generators	4,744,482	12,857,819					398,304	965,739
% Allocation	33.3%	50.0%					33.3%	33.3%
Purchasers	4,744,482	12,857,819	1,178,381	26,176,879		12,447,339	398,304	965,739
% Allocation	33.3%	50.0%	50.0%	100.0%		100.0%	33.3%	33.3%
Distributors (incl Transpower)	4,744,482						398,304	965,739
% Allocation	33.3%						33.3%	33.3%
Distributors (excl Transpower)			1,178,381					
% Allocation			50.0%					
Transpower					4,207,383			
% Allocation					100.0%			
Total	14,233,447	25,715,638	2,356,761	26,176,879	4,207,383	12,447,339	1,194,911	2,897,216

2) Obtain actual participant MWh and ICP totals for the year

Participant Class	Common Quality	Market	Registry & Consumer	Supply Security	Transmission	Electricity Efficiency	Other Activities	MACQS Reform
	MWh	MWh	ICP's	MWh	MWh	MWh	MWh	MWh
Generators	41,230,166	41,230,166					41,230,166	41,230,166
Purchasers	40,729,015	40,729,015	1,969,485	40,729,015		40,729,015	40,729,015	40,729,015
Distributors (incl Transpower)	73,121,254						73,121,254	73,121,254
Distributors (excl Transpower)			1,971,231					
Transpower					38,985,765			

3) Calculate reconciled annual levy rates

Participant Class	Common Quality	Market	Registry & Consumer	Supply Security	Transmission	Electricity Efficiency	Other Activities	MACQS Reform
	\$ per unit (MWh / ICP's)							
Generators	0.1151	0.3119					0.0097	0.0234
Purchasers	0.1165	0.3157	0.5983	0.6427		0.3056	0.0098	0.0237
Distributors (incl Transpower)	0.0649						0.0054	0.0133
Distributors (excl Transpower)			0.5978					
Transpower					0.1079			