

AoG Consultancy Services Order – extension

Part C – Variations to Part A

LEAVE BLANK WHEN ISSUING CONSULTANCY SERVICES ORDER

The client will complete Part C if they wish to change any details in Part A

Revised scope and/or timeframe

Released under the Official Information Act

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March 2017

- 1) The Authority and the Provider have agreed to vary the Consultancy Services Order for the CBA Review Services for the Transmission Pricing Methodology Review (CSO) in order to:
- a. require the Provider to review the deliverables for Stage 2 of the CBA Preparation Services for the Transmission Pricing Methodology Review, with the purpose that in accordance with clause 1.8) ultimately the Provider will provide written assurance that the Authority can reasonably rely on the CBA as being free of error and consistent with best practice.
- 2) The deliverables for Stage 2 that the Provider will review are:
- a. A simple model of the CBA in Microsoft Excel that illustrates how key costs and benefits relate to each other, with examples of how costs and benefits will be measured and explore key parameters
 - b. A working paper that will detail for each of the benefits and costs:
 - i. the future scenarios that will be considered
 - ii. all known assumptions and parameters
 - iii. a description of the methodology and modelling to be carried out
 - iv. the necessary input data
 - v. the sensitivity analysis that will be undertaken.
- 3) To deliver the variation above, the Authority and the Provider agree to:
- a. in clause 1.7), delete "This CSO covers Stage 1 only."
 - b. insert, after clause 2.2) of the CSO:
"2.3) For Stage 2, the Authority requires the Provider to do the following:
 - a. attend a meeting to be introduced to the CBA Preparer's simple model of the CBA. The introductory meeting will be held on or about Tuesday 30 October 2018.
 - b. review the CBA Preparer's draft working paper using the relevant criteria in clause 1.10 and:
 - i. email written comments and queries by 5pm NZDT Thursday 8 November 2018
 - ii. attend a review meeting on or about Friday 9 November 2018 with the CBA Preparer and the Authority to discuss the draft report and the Provider's comments and queries
 - c. review, and provide written comments on, the final version of the CBA Preparer's working paper. Subject to the Authority supplying the final working paper to the Provider by 9am NZDT on 19 November 2018 or before, the Provider will email its written comments by 6pm NZDT on 21 November 2018, or otherwise within 3 working days of the Authority providing the report."
 - d. if the Provider continues to identify issues in the final working paper, the Authority at its discretion may require the Provider to further discuss the final working paper with the CBA Preparer and the Authority. The aim is to resolve any issues to the extent that the Provider can confirm that the deliverables of this Stage are on track for the CBA ultimately to receive written assurance from the Provider, as envisaged by clause 1.8)."

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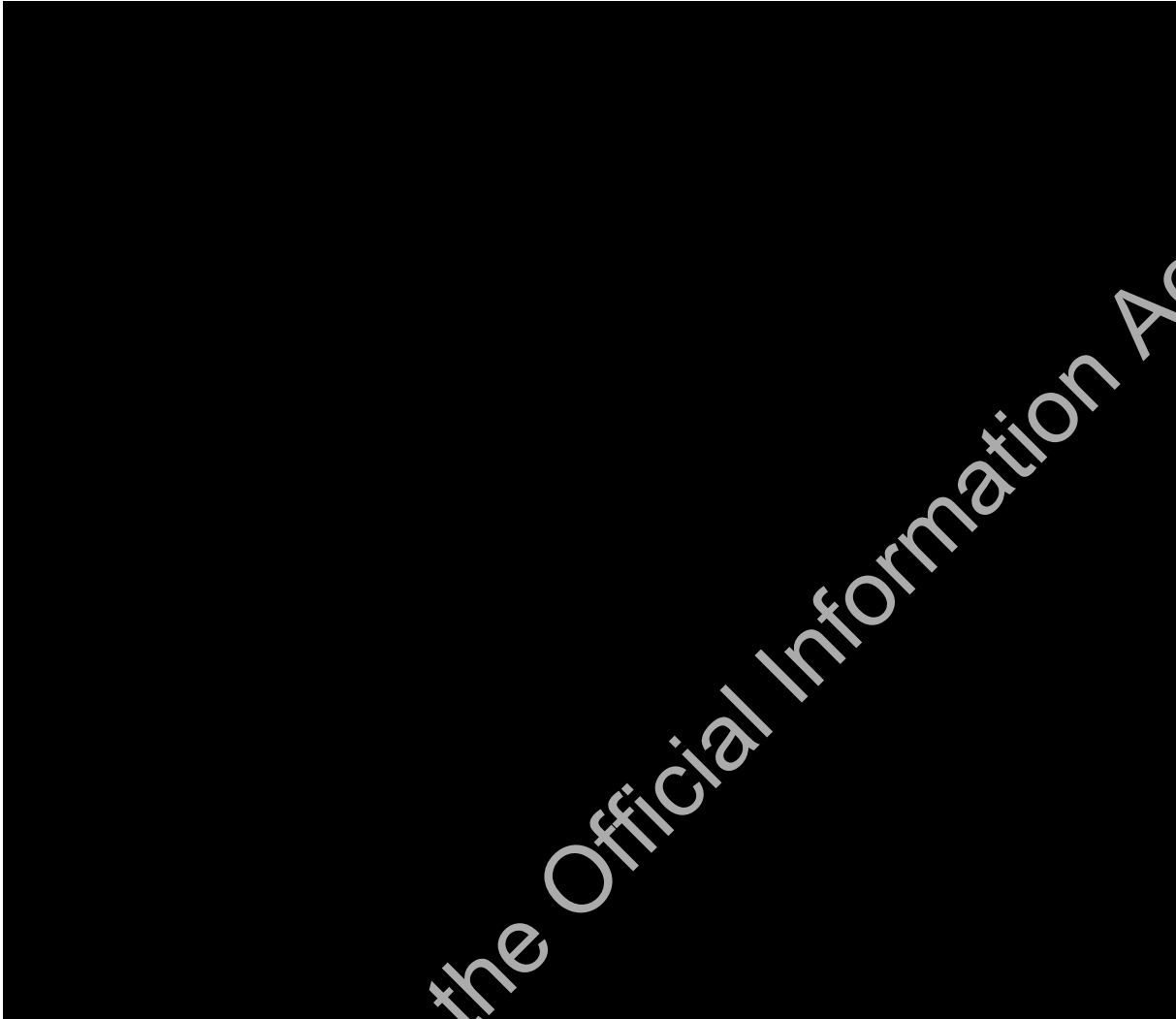


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