

# **ANNUAL PRICE SETTING COMPLIANCE STATEMENT**

**DEFAULT PRICE-QUALITY PATH**

**1 APRIL 2021 – 31 MARCH 2022 ASSESSMENT PERIOD**



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## 1. PURPOSE

This price-setting compliance statement (Statement) states Alpine Energy's compliance with price-quality regulation as per clauses 11.2 and 11.3 of the Commerce Commission, Electricity Distribution Services Default Price-Quality Path Determination 2020 (the Determination).

### 1.1 DISCLAIMER

Information disclosed in this Statement has been prepared solely for the purposes of the Determination. The information in this Statement should not be used for any other purpose than that intended under the Determination.

For presentation purposes, some figures in this Statement have been rounded. This may cause small discrepancies when aggregating some of the figures provided; however, these discrepancies do not affect the overall compliance calculations, which are based on more detailed figures.

## 2. DATE PREPARED

This statement was prepared on 25 February 2021.

## 3. ACCOUNTABILITIES

<b>AEL Board Directors</b>	Accountable for certifying this Statement in accordance with clause 11.2(c) of the Determination.
<b>Manager – Regulatory &amp; Commercial</b>	Accountable for ensuring that this Statement is: a) Prepared annually b) Disclosed to the Commerce Commission in accordance with clause 11.1(a) of the Determination; and c) Publicly disclosed in accordance with clause 11.1(b) of the Determination

## 4. STATEMENT OF COMPLIANCE

### 4.1 COMPLIANCE WITH THE PRICE PATH

Alpine Energy has complied with the price path in clause 8.4 of the Determination for the Assessment Period ending 31 March 2022.

Clause 8.4 of the Determination requires that, for the second to fifth assessment period of the DPP regulatory period, to comply with the price path for an assessment period of the DPP regulatory period, a Non-exempt Electricity Distribution Business (EDB's) forecast revenue from prices for that assessment period must not exceed the lessor of:

- The forecast allowable revenue for that assessment period; and
- The amount determined in accordance with the following formula
- The forecast revenue from prices for the previous assessment period x (1 + limit on annual percentage increase in forecast revenue from prices)

Compliance is established in Table 1 below, which demonstrates that forecast revenue from prices for the assessment period does not exceed the forecast allowable revenue for that assessment period.

<b>Assessment Against the Price Path</b> 2022 = Forecast revenue from prices2022 must be the lessor of Forecast allowable revenue2022 and Forecast revenue from prices2021 x (1 + limit on annual percentage in forecast revenue from prices)	
<b>Calculation components</b>	<b>Amount (\$'000)</b>
Forecast revenue from prices2022	54,104
Forecast allowable revenue2022	54,104
Forecast allowable revenue2021	58,778
Limit on annual percentage in forecast revenue from prices	10%
<b>Result</b>	<b>0</b>
<b>Result</b>	<b>Price Path has not been Breached</b>

**Table 1 - Statement of price path compliance for the year ending 31 March 2021**

This Statement provides the detail about the prices and assumptions that underpins Alpine Energy's forecasts.

- Section 5 summaries the approach used in the calculation of forecast revenues from prices.
- Section 6 summaries the approach used in the calculation of the forecast allowable revenue.
- A compliance matrix is presented in Appendix D.

## 4.2 CERTIFICATION

This Statement was certified in accordance with clause 11.2(c) of the Determination on **25 February 2021**. A copy of the Director Certificate is at Appendix A on page 10.

## 5. CALCULATION OF FORECAST REVENUE FROM PRICES

Forecast revenue from prices is calculated by multiplying prices as at 1 April 2021 by forecast quantities as at 31 March 2022 for each price category. The Determination requires that the forecasts are demonstrably reasonable.

The forecast quantities are derived by escalating the prior year quantities by the growth assumption for each price category. Table 2 below is a summary of the growth assumptions applied to quantities as at 31 March 2020 to forecast quantities as at 31 March 2022.

<b>Growth assumptions used to forecast quantities as at 31 March 2022</b>	<b>Consumption (kWh)</b>	<b>Demand (kW)</b>	<b>Avg. Number of ICPs</b>
Single phase connections	-1.26%	0.00%	3.54%
Three phase connections	1.66%	0.00%	-4.40%
Assessed connections	6.34%	-2.27%	0.38%
Time of Use Low Voltage	3.43%	-5.65%	-1.32%
Time of Use High Voltage	2.69%	-2.33%	0.00%

**Table 2—Summary of growth assumptions applied to forecast quantities as at 31 March 2022**

Appendix B provides supporting calculations of the forecast revenue from prices.

A summary of Alpine Energy's forecast revenue from prices is included in Table 3 below.

Forecast revenue from prices RY2022		
Description	Term	Value (\$'000)
Forecast prices between 1 April 2021 and 31 March 2022 multiplied by forecast quantities for the period ending 31 March 2022	$\sum P_{2021/22} \times Q_{2021/22}$	54,104

Table 3—Summary of Alpine's Energy's forecast revenue form prices

Appendix C provides full tables of forecast revenue from prices for each load group in each pricing area.

## 6. CALCULATION OF FORECAST ALLOWABLE REVENUE

The 2022 assessment period is the second annual assessment period under the DPP. Alpine Energy's forecast allowable revenue (FAR) is determined using the formula.

FNAR + FRPC + OWAB + PTBA

Where—

<b>FNAR</b>	Is the forecast net allowable revenue
<b>FRPC</b>	Is the forecast pass-through and recoverable costs
<b>OWAB</b>	Is the opening wash-up account balance; and
<b>PTBA</b>	Is the pass-through balance allowance

Alpine Energy's FAR for the 2022 assessment period was \$54.1 million. The calculation of FAR is provided in Table 4 below.

Forecast allowable revenue 2022 = FNAR + FRPC + OWAB + PTBA				
FNAR	FRPC	OWAB	PTBA	FAR
43,484	13,819	-	(3,199)	54,104

Table 4—Calculation of the forecast allowable revenue

The four components of the FAR for the 2022 assessment period are described in more detail below.

### 6.1 FORECAST NET ALLOWABLE REVENUE

The forecast net allowable revenue (FNAR) for the second assessment period is \$43.5 million. The FNAR is specified in Schedule 1.4 of the Determination.

### 6.2 FORECAST RECOVERABLE AND PASS THROUGH COSTS

Alpine Energy's forecast recoverable and pass-through costs (FRPC) for the 2022 assessment period are \$13.8 million. Section 6.5 provides more detail about how the FRPC is determined.

### 6.3 OPENING WASH-UP ACCOUNT BALANCE

The opening wash-up account balance (OWAB) for the 2022 assessment period is zero. The OWAB is specified in Schedule 1.7 of the Determination.

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## 6.4 PASS THROUGH BALANCE ACCOUNT

The pass-through balance account (PTBA) for the 2022 assessment period is -\$3.2 million. The PTBA is calculated in accordance with Schedule 1.6 of the Determination using the following formula—

$$PTBA_{2022} = (ePTB - PTB) \times (1 \times 67th \text{ percentile estimate of the post-tax WACC})^2$$

Where—

<b>ePTB</b>	Means a demonstrably reasonable estimate amount of the pass-through balance as at 31 March 2020; and
<b>PTB</b>	is the amount calculated by the non-exempt EDB for the assessment period ending 31 March 2020 under clause 8.6 of the <i>Electricity Distribution Services Default Price-Quality Path Determination 2015 [2014]</i> .

Section 6.5 provides more detail about how the PTBA is determined.

## 6.5 ANALYSIS OF THE COMPONENTS AND CALCULATION OF FORECAST ALLOWABLE REVENUE

This section provides more detail on the calculation of the:

- Forecast recoverable and pass-through costs; and
- Pass-through balance account

### Forecast recoverable and pass-through costs

Table 5 over the page provides a breakdown of Alpine Energy's forecast pass-through and recoverable costs for the year ending 31 March 2022, a total of \$13.8 million.

The Determination requires a demonstrably reasonable forecast of pass-through and recoverable costs. The methodologies that Alpine Energy has applied to forecast pass-through and recoverable costs are outlined in the table below.

<b>Forecast recoverable and pass-through costs</b>	<b>Assessment Period ending 31 March 2022</b>
<b>Forecast pass-through costs</b>	<b>Amount</b>
Local Authority Rates	132
Commerce Act Levies	78
Electricity Authority Levies	156
Utilities Disputes Limited	19
<b>Forecast recoverable costs</b>	<b>Amount</b>
Opex Incentive (IRIS)	(1,665)
Capex Incentive (IRIS)	1,221
Incremental adjustment term	-
Transpower Connection	2,645
Transpower Interconnection	9,588
Transpower HVDC	76
Transpower New Investment Contract	1,334
Avoided transmission costs	-
System Operator Services	-
Distributed generation allowance	-
Standard application fee for a CPP proposal	-
Commerce Commission assessment fee for a CPP proposal	-
Verifier fee under a CPP proposal	-
Auditor's fee associated with a CPP proposal	-
Audit and assurance report for a CPP proposal	-
Catastrophic event allowance	-
Extended reserve allowance	-
Quality incentive adjustment	312
Capex Wash-up	(130)
Transmission asset wash-up adjustment	-
Reconsideration event allowance	-
Engineer fee associated with a proposal of quality standard variation	-
Revenue wash-up draw down amount	-
Fire and Emergency Management New Zealand (FENZ) Levies	53
Innovation project allowance	-
<b>Forecast pass-through and recoverable costs</b>	<b>13,819</b>

Table 5—Forecast recoverable and pass-through costs

### Pass through balance account

Table 6 below provides the components of the PTBA for the 2021 assessment period.

$PTBA_{2022}(ePTB - PTB) \times (1 \times 67th \text{ percentile estimate of the post-tax WACC})^2$ =	<b>Assessment Period ending 31 March 2022</b>
Prior period pass-through balance (2018/19)	(5,249)
Cost of debt	6.09%
2019/20 pass-through costs	357
2019/20 recoverable costs	25,376
2019/20 pass-through and recoverable revenue	28,996
<b>PTB</b>	<b>(2,305)</b>
ePTB	(5,249)
67th percentile estimate of the post-tax WACC	4.23%
<b>PTBA<sub>2022</sub></b>	<b>(3,199)</b>

Table 6—Pass-through balance account for the second assessment period.

The nine components of the PTBA for the 2022 assessment period are described in more detail below.

#### Prior period pass-through balance (PTB<sub>2018/19</sub>)

Alpine Energy's prior period pass-through balance for the year ended 31 March 2019 ( $PTB_{t-1}$ ) was - \$5.3 million as per Table 6 of Alpine Energy, *Annual Compliance Statement for the assessment period ending 31 March 2020*.

#### Cost of debt

The cost of debt (r) applicable to the prior period pass-through balance is 6.09% as per Table 6 in the Commerce Commission's *Electricity Distribution Services Default Price-Quality Path Determination 2015*.

#### 2019/20 pass-through costs

Alpine Energy's actual pass-through costs for the 2020 assessment were \$0.36 million.

Table 7 provides a breakdown of the actual pass-through costs for the assessment period ending 31 March 2020.

<b>Actual pass-through costs</b>	<b>Assessment Period ended 31 March 2020</b>
Local Authority Rates	109
Commerce Act Levies	88
Electricity Authority Levies	142
Utilities Disputes Limited	18
<b>Forecast pass-through costs</b>	<b>357</b>

Table 7 - Actual pass-through costs for the year ending 31 March 2020

#### 2019/20 recoverable costs

Alpine Energy's actual recoverable costs for the 2020 assessment period were \$25.4 million. Table below provides a breakdown of the actual recoverable costs for the assessment period ending 31 March 2020.



Actual recoverable costs	Assessment Period ended 31 March 2020
Transpower Charges	\$ 15,577
New Connection Charges	\$ 2,538
System Operator Services	\$ 10
Claw-back	\$ 3,050
NPV-Washup Allowance	\$ 3,263
Quality incentive adjustment	\$ 312
Capex Wash-up	\$ 626
<b>Forecast pass-through and recoverable costs</b>	<b>\$ 25,376</b>

Table 8—Actual recoverable costs for the year ending 31 March 2020

### 2019/20 pass-through and recoverable revenue

Alpine Energy's actual pass-through and recoverable revenue for the 2020 assessment period was \$28.9 million, as per Table 4 of Alpine Energy, *Annual Compliance Statement for the assessment period ending 31 March 2020*.<sup>1</sup>

### Pass-through balance—PTB

The pass-through balance is the cumulative difference between the revenue from pass-through prices and the sum of pass-through costs and recoverable costs calculated in accordance with clause 8.6 of the *Electricity Distribution Services Default Price-Quality Path Determination 2015*—

$$PTB_t = \sum_t PTP_{i,t} Q_{i,t} - K_t - V_t + PTB_{t-1}(1 + r)$$

Where—

<b>t</b>	Is the year in which the assessment period ends
<b>i</b>	Denotes each pass-through price
<b>PTB<sub>t</sub></b>	Is the pass-through balance for the assessment period t
<b>PTB<sub>t-1</sub></b>	Is the pass-through balance for the assessment period prior to year t, as calculated using any additional information at the end of assessment period t
<b>PTP<sub>i,t</sub></b>	Is the <i>i</i> <sup>th</sup> pass-through price during any part of the assessment period t
<b>Q<sub>i,t</sub></b>	Is the quantity for the assessment period t corresponding to the <i>i</i> <sup>th</sup> pass-through price
<b>K<sub>t</sub></b>	Is the sum of all pass-through costs that apply to the assessment period t
<b>V<sub>t</sub></b>	Is the sum of all recoverable costs that apply to the assessment period t
<b>r</b>	Is the cost of debt

### Pass-through balance—ePTB

Alpine Energy's forecast pass-through balance for the 2020 assessment period was -\$5.3 million, as shown in Table 6 of *Alpine Energy's Price Setting Compliance Statement 1 April 2020*

<sup>1</sup> [https://www.alpineenergy.co.nz/\\_data/assets/pdf\\_file/0023/13667/FINAL-Alpine-Energy-Limited-DPP-Annual-Compliance-Statement-2020-V1.07.pdf](https://www.alpineenergy.co.nz/_data/assets/pdf_file/0023/13667/FINAL-Alpine-Energy-Limited-DPP-Annual-Compliance-Statement-2020-V1.07.pdf)

### 67th percentile estimate of the post-tax WACC

The 67<sup>th</sup> percentile estimate of the post-tax WACC is 4.23%, as per clause 4.2 of the Determination.

### Pass-through balance allowance—PTBA<sub>2022</sub>

For the second assessment period the pass-through balance allowance is calculated using the following formula—

$$PTBA_{2022} = (ePTB - PTB) \times (1 \times 67th \text{ percentile estimate of the post-tax WACC})^2$$

where—

<b>ePTB</b>	Means the demonstrably reasonable estimate amount of the pass-through balance as or 31 March 2020 that was calculated for the first assessment period
<b>PTB</b>	Is the amount calculated by the non-exempt EDB for the assessment period ending 31 March 2020 under clause 8.6 of the <i>Electricity Distribution Services Default Price-Quality Path Determination 2015</i>

### Demonstrating the forecast of pass-through and recoverable costs are reasonable

Schedule 1.5 of the Determination requires that all forecasts for pass-through costs and recoverable cost used to calculate the forecast allowable revenue must be demonstrably reasonable. Table 9 and Table 10 below summarise the methodology that Alpine Energy has applied to determine its forecasts for pass-through and recoverable costs for the 2022 assessment period.

Pass-through Cost Components	Forecasting Methodology
Local Authority Rates	Based on historical growth (expected) rates
Commerce Act Levies	Based on historical percentage increases / (decreases) in levies
Electricity Authority Levies	Based on an 8 year averaged increase in levies
Utilities Disputes Limited	Based on an 8 year averaged increase in levies

Table 9—Method of forecasting pass-through costs

Recoverable cost components	Forecasting Methodology
Opex Incentive (IRIS)	Calculated in accordance with clause 3.3.2 of the Input Methodologies
Capex Incentive (IRIS)	Calculated in accordance with clause 3.3.10 of the Input Methodologies
Incremental adjustment term	Forecast to be zero as Alpine Energy is not under a CPP
Transpower connection	As notified by Transpower in December each year.
Transpower interconnection	
Transpower HVDC	
Transpower new investment contract	
Avoided transmission costs	Forecast as zero as Alpine Energy does not current have any avoided transmission cost
System Operator Services	These costs are included in transmission monthly connection charge

Recoverable cost components	Forecasting Methodology
Distributed generation allowance	Forecast as zero as Alpine Energy has not historically incurred costs, paid, nor received avoided transmission charges arising from distributed generation.
Standard application fee for a CPP proposal	Forecast as zero as Alpine Energy has not submitted a CPP proposal to the Commerce Commission.
Commerce Commission assessment fee for a CPP proposal	
Verifier fee under a CPP proposal	
Auditor's fee associated with a CPP proposal	
Audit and assurance report for a CPP proposal	
Catastrophic event allowance	Forecast as zero as Alpine Energy does not expect to have a catastrophic event during the disclosure year.
Extended reserve allowance	Forecast as zero as Alpine Energy has not applied to the Commerce Commission for an allowance, per Schedule 5.2 of the Determination, in the disclosure year.
Quality incentive adjustment	We forecast the incentive as detailed as calculated as if Alpine is going to meet its performance standards.
Capex Wash-up	Calculated based on the updated values since the ID2020 was completed.
Transmission asset wash-up adjustment	Forecast as zero as Alpine Energy does not intend to purchase any transmission assets during the coming assessment period.
Reconsideration event allowance	Forecast as zero as Alpine Energy has not applied to the Commerce Commission for an allowance in the disclosure year.
Engineer fee associated with a proposal of quality standard variation	Forecast as zero as Alpine Energy has not applied to the Commerce Commission for a quality standard variation in the assessment period.
Revenue wash-up drawdown amount	Forecast as zero as the revenue wash-up drawdown amount does not apply in the second disclosure year of the DPP regulatory period.
Fire and Emergency Management New Zealand (FENZ) Levies	These costs are based on the prior year expenditure.
Innovation project allowance	Forecast as zero as Alpine Energy has not applied to the Commerce Commission for an innovation project allowance, per Schedule 5.3 of the Determination, in the disclosure year.

**Table 10—Method of forecasting recoverable costs**

In Alpine Energy's opinion, all the above methods deliver demonstrably reasonable forecasts of pass-through costs and recoverable costs in the context that they are used. Supporting calculations of the forecast allowable revenue in Appendix C from page 12.

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## APPENDIX A      DIRECTORS CERTIFICATE

I, Warren Boyce McNabb and Don McGillivray Elder being directors of Alpine Energy Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached annual price-setting compliance statement of Alpine Energy Limited, and related information, prepared for the purposes of the *Electricity Distribution Services Default Price-Quality Path Determination 2020* has been prepared in accordance with all relevant requirements, and all forecasts used in the calculations for forecast revenue from prices and forecast allowable revenue are reasonable.



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Warren Boyce McNabb (Chairman)

26 February 2021



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Don McGillivray Elder

26 February 2021

## APPENDIX B QUANTITY FORECASTING

### B1 Forecast Quantities as at 31 March 2022

Calculating forecast revenue as at 31 March 2022 from prices effective 1 April 2021 requires Alpine Energy to prepare a forecast of quantities for the assessment period. Alpine Energy prices have both fixed and variable components; accordingly, prices are set on numbers of connections (ICPs), consumption (kWh), and demand (kW).

Forecasts of connections and consumption use a top-down approach for each load group. The forecasts for connections, consumption, and demand are determined using the prior year connections and to apply an escalator for each price. Alpine Energy has applied historical trends to the pricing areas. It believes, the past is a good predictor of the future.

### B2 Installation Connection Points Growth Factor

Forecasts of connections are based on existing connections with a 1% growth on average. This is based on historical increases in network connections as detailed in the Asset Management Plan. We estimated the average number of active ICP's on the network to be 22,232 when setting the fixed charges for 2021/2022.

Variable volumes have historically increased by 1.1%. The assumption is that this trend will continue. Over the past 2 years we have seen a reduction in domestic consumption primarily due to warmer temperatures. In addition, more irrigation has been required in the assessed and time of use price groups. Demand charges for these were also down as they did not coincide with the Transpower peak charges.

Growth assumptions used to forecast quantities as at 31 March 2022	Consumption (kWh)	Demand (kW)	Avg. Number of ICPs
Single phase connections	-1.26%	0.00%	3.54%
Three phase connections	1.66%	0.00%	-4.40%
Assessed connections	6.34%	-2.27%	0.38%
Time of Use Low Voltage	3.43%	-5.65%	-1.32%
Time of Use High Voltage	2.69%	-2.33%	0.00%

### B3 Fixed and Variable Charges

Prices have fixed and variable volume components within each price category. Alpine Energy has applied the reduction of revenue under DPP3 to the variable component of prices. These charges are based on forecast number of installation connection points and kWh consumption volumes.

Forecasts for the next pricing year and are based on average volumes from the preceding 12 months to generate the forecast as a starting point with an expected growth. Forecasts within the various price categories are then applied to the high (HCA) and low cost (LCA) areas.

### B4 Demand Charges

Demand forecasts are calculated by determining the average volume (demand) for time-of-use customers over the previous calendar year.

### B5 Directly Billed Customers

Directly Billed Customer charges are based on a return on investment and annual demand charges.

## APPENDIX C

## PRICES AND FORECAST QUANTITIES FOR PRICES EFFECTIVE 1 APRIL 2021

Table 11 below provides for each price category Alpine Energy's:

- forecast quantities as at 31 March 2022,
- unit prices (i.e., distribution plus pass-through prices) as at 1 April 2021
- forecast revenue as at 31 March 2022.

Forecast revenue from prices as at 31 March 2022				
Price Category	Unit	Unit price	Forecast quantity	Forecast revenue (\$'000)
LOWHCA Fixed	\$/day	\$ 0.1500	2,135	\$ 117
LOWLCA Fixed	\$/day	\$ 0.1500	10,752	\$ 589
LOWUHCA Fixed	\$/day	\$ 0.1500	19	\$ 1
LOWULCA Fixed	\$/day	\$ 0.1500	41	\$ 2
015HCA Fixed	\$/day	\$ 1.4438	5,770	\$ 3,040
015LCA Fixed	\$/day	\$ 1.3026	11,340	\$ 5,391
015UHCA Fixed	\$/day	\$ 2.0281	36	\$ 27
015ULCA Fixed	\$/day	\$ 1.8690	40	\$ 27
360HCA Fixed	\$/day	\$ 6.1302	510	\$ 1,141
360LCA Fixed	\$/day	\$ 4.4243	725	\$ 1,170
360UHCA Fixed	\$/day	\$ 6.5964	14	\$ 34
360ULCA Fixed	\$/day	\$ 5.0109	14	\$ 25
ASSHCA Fixed	\$/day	\$ 2.0014	1,266	\$ 925
ASSLCA Fixed	\$/day	\$ 1.3659	411	\$ 205
TOU400HCA Fixed	\$/day	\$ 1.4062	37	\$ 19
TOU400LCA Fixed	\$/day	\$ 1.1086	102	\$ 41
TOU11HCA Fixed	\$/day	\$ 1.1604	6	\$ 3
TOU11LCA Fixed	\$/day	\$ 1.1235	4	\$ 2
LOWHCA Variable Day	\$/kWh	\$ 0.1052	7,973,368	\$ 838
LOWLCA Variable Day	\$/kWh	\$ 0.0994	40,593,135	\$ 4,036
LOWUHCA Variable Day	\$/kWh	\$ 0.1288	66,141	\$ 9
LOWULCA Variable Day	\$/kWh	\$ 0.1224	147,494	\$ 18
015HCA Variable Day	\$/kWh	\$ 0.0527	38,566,004	\$ 2,032
015LCA Variable Day	\$/kWh	\$ 0.0527	70,715,275	\$ 3,725
015UHCA Variable Day	\$/kWh	\$ 0.0527	298,865	\$ 16
015ULCA Variable Day	\$/kWh	\$ 0.0527	254,917	\$ 13
360HCA Variable Day	\$/kWh	\$ 0.0527	8,579,452	\$ 452
360LCA Variable Day	\$/kWh	\$ 0.0527	15,948,323	\$ 840
360UHCA Variable Day	\$/kWh	\$ 0.0527	455,860	\$ 24
360ULCA Variable Day	\$/kWh	\$ 0.0527	263,193	\$ 14
ASSHCA Variable Day	\$/kWh	\$ 0.0527	102,686,503	\$ 5,410
ASSLCA Variable Day	\$/kWh	\$ 0.0527	27,938,861	\$ 1,472
TOU400HCA Variable Day	\$/kWh	\$ 0.0075	17,411,801	\$ 304
TOU400LCA Variable Day	\$/kWh	\$ 0.0080	72,437,774	\$ 1,347
TOU11HCA Variable Day	\$/kWh	\$ 0.0127	19,710,044	\$ 585
TOU11LCA Variable Day	\$/kWh	\$ 0.0104	10,207,609	\$ 248

Forecast revenue from prices as at March 2022					
Price Category		Unit	Unit price	Forecast quantity	Forecast revenue (\$'000)
LOWHCA	Variable Night	\$/kWh	\$ 0.0750	3,417,158	\$ 256
LOWLCA	Variable Night	\$/kWh	\$ 0.0693	17,397,058	\$ 1,206
LOWUHCA	Variable Night	\$/kWh	\$ 0.0987	28,346	\$ 3
LOWULCA	Variable Night	\$/kWh	\$ 0.0923	63,212	\$ 6
015HCA	Variable Night	\$/kWh	\$ 0.0226	16,528,288	\$ 373
015LCA	Variable Night	\$/kWh	\$ 0.0226	30,306,546	\$ 684
015UHCA	Variable Night	\$/kWh	\$ 0.0226	128,085	\$ 3
015ULCA	Variable Night	\$/kWh	\$ 0.0226	109,250	\$ 2
360HCA	Variable Night	\$/kWh	\$ 0.0226	3,676,908	\$ 83
360LCA	Variable Night	\$/kWh	\$ 0.0226	6,834,996	\$ 154
360UHCA	Variable Night	\$/kWh	\$ 0.0226	195,369	\$ 4
360ULCA	Variable Night	\$/kWh	\$ 0.0226	112,797	\$ 3
ASSHCA	Variable Night	\$/kWh	\$ 0.0226	43,559,819	\$ 983
ASSLCA	Variable Night	\$/kWh	\$ 0.0226	12,026,211	\$ 272
TOU400HCA	Variable Night	\$/kWh	\$ 0.0075	7,577,255	\$ 57
TOU400LCA	Variable Night	\$/kWh	\$ 0.0080	32,514,044	\$ 259
TOU11HCA	Variable Night	\$/kWh	\$ 0.0127	7,716,051	\$ 98
TOU11LCA	Variable Night	\$/kWh	\$ 0.0104	4,498,279	\$ 47
LOWHCA	Demand	\$/kWday	\$ -	-	\$ -
LOWLCA	Demand	\$/kWday	\$ -	-	\$ -
LOWUHCA	Demand	\$/kWday	\$ -	-	\$ -
LOWULCA	Demand	\$/kWday	\$ -	-	\$ -
015HCA	Demand	\$/kWday	\$ -	-	\$ -
015LCA	Demand	\$/kWday	\$ -	-	\$ -
015UHCA	Demand	\$/kWday	\$ -	-	\$ -
015ULCA	Demand	\$/kWday	\$ -	-	\$ -
360HCA	Demand	\$/kWday	\$ -	-	\$ -
360LCA	Demand	\$/kWday	\$ -	-	\$ -
360UHCA	Demand	\$/kWday	\$ -	-	\$ -
360ULCA	Demand	\$/kWday	\$ -	-	\$ -
ASSHCA	Demand	\$/kWday	\$ 0.1360	104,321	\$ 5,180
ASSLCA	Demand	\$/kWday	\$ 0.0894	39,243	\$ 1,281
TOU400HCA	Demand	\$/kWday	\$ 0.4140	7,291	\$ 1,102
TOU400LCA	Demand	\$/kWday	\$ 0.2838	22,396	\$ 2,320
TOU11HCA	Demand	\$/kWday	\$ 0.2337	6,454	\$ 551
TOU11LCA	Demand	\$/kWday	\$ 0.3651	3,684	\$ 491
Customer 1		\$/day	\$ 746		\$ 272
Customer 2		\$/day	\$ 7,479		\$ 2,730
Customer 3		\$/day	\$ 217		\$ 79
Customer 4		\$/day	\$ 3,323		\$ 1,213
Customer 5		\$/day	\$ 515		\$ 188
Customer 6		\$/day	\$ 170		\$ 62
$\sum P_{2021/22} \times Q_{2021/22}$					<b>54,104</b>

## APPENDIX D COMPLIANCE MATRIX

This schedule demonstrates how this Statement complies with the Determination.

Determination Requirement	Determination Reference	Statement Reference
The 'annual price-setting compliance statement' must-		
State whether or not the Non-exempt EDB has:		
○ In respect of the second to fifth assessment periods of the DPP Regulatory Period, complied with the price path in clause 8.4 for the assessment period;	Clause 11.2(a)(ii)	Table 1 in Section 4 at page 1
○ State the date on which the statement was prepared; and;	Clause 11.2(b)	Section 2 at page 1
○ Include a certificate in the form set out in Schedule 6, signed by at least one Director of the Non-exempt EDB.	Clause 11.2(c)	Appendix A on page 10
The 'annual price-setting compliance statement' must include the following information-		
○ The Non-exempt EDB's calculation of its forecast revenue from prices together with supporting information for all components of the calculation;	Clause 11.3(a)	Section 5 from page 2 Appendix B from page 11
○ The Non-exempt EDB's calculation of its forecast allowable revenue together with supporting information for all components of the calculation;	Clause 11.3(b)	Section 6 from page 3 Appendix C from page 12
○ If the Non-exempt EDB has not complied with the price path, the reasons for the non-compliance; and	Clause 11.3(c)	NA
○ If the Non-exempt EDB has not complied with the price path, any actions taken to mitigate any non-compliance and to prevent similar non-compliance in future assessment periods.	Clause 11.3(d)	NA