

HORIZON ENERGY DISTRIBUTION LIMITED

THRESHOLD COMPLIANCE STATEMENT

FOR THE ASSESSMENT DATE, 31 MARCH 2007

Pursuant to the Commerce Act (Electricity Distribution Thresholds)

Notice 2004 and Amendment Notice 2006

16 May 2007

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1. Disclosure of Information Required (Clause 7(1)(a)(i) – The Price Path Threshold)

Horizon Energy Distribution Limited (“Horizon Energy”) has not complied with the requirements of the price path threshold at 31 March 2007, as specified in the Commerce Act (Electricity Distribution Thresholds) Gazette Notice 2004 and 2006 Amendment (“Gazette Notices”).

1.1 Clause 5 (1) (a) Notional Revenue Test

Clause 5 (1) (a) Notional Revenue (“NR₂₀₀₇”) at 31 March 2007 should not exceed Allowable Notional Revenue (“R₂₀₀₇”) at 31 March 2007.

Test:	$\frac{NR_{2007}}{R_{2007}} \leq 1$
Result:	\$16,347,541 / \$15,697,200 > 1
Result:	1.0414 > 1
Result:	Threshold is breached by \$650,341

Notional Revenue at 31 March 2007 does exceed allowable Notional Revenue under the CPI-X price path at 31 March 2007. Supporting evidence is presented in Appendices A and B.

Explanation of Unintentional Price Path Breach 2006/07

Horizon Energy has breached its price path for the year ending 31 March 2007. The breach is attributable to an unanticipated reduction in Transpower’s prices during the 2006/07-year. Horizon Energy’s pass through costs were based on Transpower’s posted 2006/07 prices. Transpower subsequently issued an interim rebate to all Distribution Companies effectively reducing its price back to the 2005/06 rate. This rebate totalled \$660,812 for Horizon Energy. Transpower has since advised Horizon Energy that it will not require these monies to be returned to it and accordingly the rebated amount plus interest at 7.35% is available for refund to retailers and/or consumers by Horizon Energy.

Horizon Energy's Board of Directors has agreed to refund these monies directly to retailers and/or consumers and Management is currently investigating the best mechanism to effect this payment. The Company will not be in a position to refund these monies until post 16 May 2007.

Ignoring the rebate (or had Horizon Energy been in a position to refund the monies pre 16 May 2007), the Price Path under clause 5(1)(a) would have been upheld by \$10,471.

1.2 Clause 5 (1) (b) Notional Revenue Test

Clause 5 (1) (b) Notional Revenue at any time during the assessment period 1 April 2006 to 31 March 2007 should not exceed the greater of Allowable Notional Revenue at 31 March 2006 and 31 March 2007.

Test:	$\frac{NR_{Max}}{Max(R_{2006}, R_{2007})}$	≤ 1
Result:	\$16,370,922 / \$15,697,200	> 1
Result:	1.0429	> 1
Result:	Threshold is breached by \$673,722	

Revenue at anytime during the assessment period ending 31 March 2007 exceeded the greater of Allowable Notional Revenue at 31 March 2006 and 31 March 2007. Supporting evidence is presented in Appendices A and B.

The difference between NR_{max} and NR_{2007} reflects a reduction in tariff to a major customer which was intended to be effective 1 April 2006 however was not introduced until July 2006.

Please refer to the explanation of the breach under section **Clause 5 (1) (a) Notional Revenue** above.

1.3 Notional Revenue:

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

- The sale of electricity conveyance services to electricity retailers and customers.

1.4 Excluded Services:

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

- Rent and interest income because this revenue has not been derived from electricity conveyance services.
- Warehouse sales income because all items sold from the warehouse are readily available from multiple electrical sales outlets operating within close proximity.
- The sale of electricity conveyance services to two major customers because there was effective competition for the provision of these services at the time the sales were agreed. Explanation and supporting evidence for excluding revenue from these customers was presented in Appendix F of the Threshold Compliance Statement (“Compliance Statement”) at the first assessment date (6 September 2003). We would be happy to provide this information again on request.

All excluded services are the same as disclosed in the previous Compliance Statements at 6 September 2003, 31 March 2004, 31 March 2005 and 31 March 2006. There has been no change to the provision of these services from previous Compliance Statements, and accordingly, previous evidence presented remains relevant.

1.5 Pass Through Costs - Transmission Charges

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

- connection charges
- interconnection charges
- notional embedding charges
- loss constraint excess payments (rental rebates)
- provision of system operator services
- avoided transmission charges
- rental rebate remissions
- Transpower interim rebate

1.6 Pass Through Costs – Local Body Rates

Local body rates applying to system fixed assets (electricity lines, cables, equipment, substation land and substation buildings) have been passed through in accordance with the Gazette Notice.

1.7 Pass Through Costs – Electricity Commission Levies

Electricity Commission levies incurred during the year ending 31 March 2007 have been passed through in accordance with the Gazette Notice.

2. Disclosure of Information Required (Clause 7(1)(a)(ii) – The Quality Threshold)

This section contains Horizon Energy’s performance against the quality thresholds as specified in Gazette Notice.

Clause 6 (1) (a) Interruption Duration

Test:	$SAIDI_{2007} \leq \left(\frac{SAIDI_{1999} + SAIDI_{2000} + SAIDI_{2001} + SAIDI_{2002} + SAIDI_{2003}}{5} \right)$		
Result:	155.94	<	160.60
Result:	SAIDI does not breach the threshold		

Clause 6 (1) (b) Interruption Frequency

Test:	$SAIFI_{2007} \leq \left(\frac{SAIFI_{1999} + SAIFI_{2000} + SAIFI_{2001} + SAIFI_{2002} + SAIFI_{2003}}{5} \right)$		
Result:	1.85	<	1.87
Result:	SAIFI does not breach the threshold		

Supporting evidence underpinning the derivation of SAIDI and SAIFI is presented in Appendix C.

3. Disclosure of Customer Communication (Clause 6 (1) (c))

Under clause 6 (1) (c) of Gazette Notice, Horizon Energy is required to report on customer communications once during the two-year period ending 31 March 2006 and 31 March 2008. Horizon Energy last reported on customer communication in its 31 March 2006 Compliance Statement and intend to report on customer communications in its next Compliance Statement at 31 March 2008.

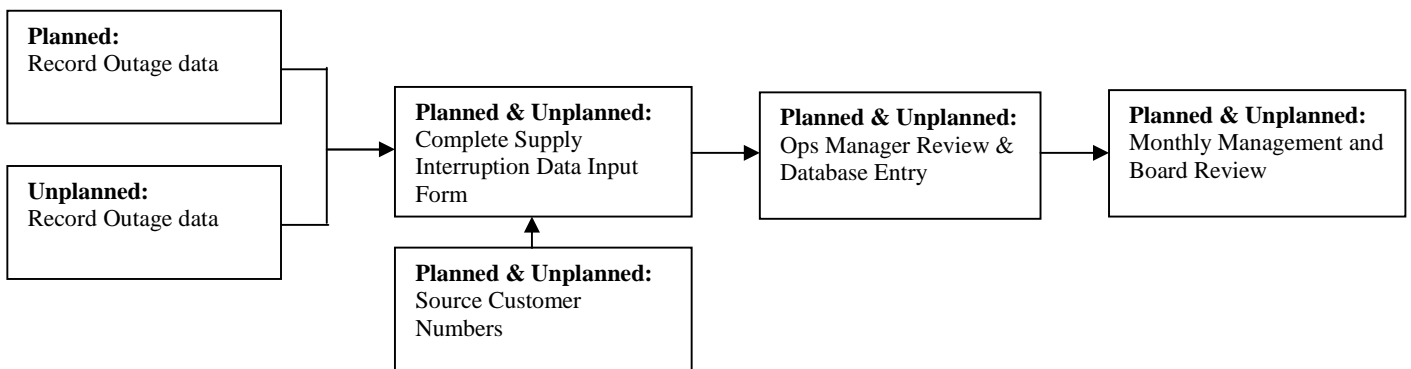
4. Disclosure of Information Required (Clause 7(1)(a)(iii) – Policies & Procedures for recording SAIFI & SAIDI statistics)

Policies And Procedures Used To Record SAIDI And SAIFI Statistics

Horizon Energy does not have an automated system for the capture of outage data. Control Room staff by means of a written procedure record network outage data.

Capture of Statistical Information

The procedures followed to capture statistical information for planned outages and unplanned outages (less than 24 hour notice) are the same except for the initial recording of outage data. The following diagram sets out the procedural flow for the recording of planned and unplanned outage data. Each flow is also discussed in detail below.



Planned Outages – Initial Recording of Outage Data

All planned outage data must be recorded on the Network Switching Schedule (refer Appendix D).

This schedule records:

- outage dates
- outage location and equipment
- outage type
- switching instructions
- mechanism for notification of outages
- issuing of permits
- the exact time of each operation from the SCADA screen

Unplanned Outages – Initial Recording of Outage Data

For initial data capture and recording of unplanned outages, similar details as above are recorded on the reverse side of the Supply Interruption Data Input Form (refer Appendix D).

Planned and Unplanned Outages – Supply Interruption Data Input Form

Following the initial recording of planned or unplanned outage data, information is transferred to a Supply Interruption Data Input Form. Individual line switching operations are completed, including customer numbers (discussed below) and length of time before restoration. This data enables the calculation of SAIDI and SAIFI impacts. The impact of each operation is summed to generate the outage statistics.

Planned and Unplanned Outages – Customer Numbers

Customer numbers for both unplanned and planned outages are sourced from the NMS database. Customer numbers can be sourced between nodes or at an individual transformer level. The database is continually updated (with new and disconnected customers).

Planned and Unplanned Outages – Collation of Data

On completion of the Supply Interruption Data Input form, it is delivered (within two working days) to the Operations Manager. The Operations Manager reviews the form for accuracy and completeness and enters the data into the Horizon Energy Support Systems Database. During 2005-06 the calculation of statistics including customer minutes and SAIDI and SAIFI were automated on the input form. This decreases the risk of human error in the derivation of the statistics. The form is then stamped as processed and filed. This database contains the data for all outages during the year (and historical data).

Planned and Unplanned Outages – Management and Board Review

From the database, a monthly report is generated containing rolling 12-monthly outage statistics (including outage type, duration and impact on SAIDI and SAIFI statistics) and is provided to management and the Board of Directors for review and discussion.

Disclaimer

The information presented in this Threshold Compliance Statement has been prepared solely for the purpose of complying with the requirements of the Commerce Act (Electricity Distribution Thresholds) Notice 2004 and Amendment Notice 2006. This statement has not been prepared for any other purpose and Horizon Energy Distribution Limited expressly disclaims any liability to any other party who may rely on this statement for any other purpose.

5. Auditor's Report on the Threshold Compliance Statement



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AUDITORS' REPORT ON THRESHOLD COMPLIANCE STATEMENT

To the readers of the threshold compliance statement of Horizon Energy Distribution Limited for the assessment period ended on 31 March 2007

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 Horizon Energy Distribution Limited for assessment as at 31 March 2007 and dated 16 May 2007 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 Horizon Energy Distribution 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 2007

Our audit included examination, on a test basis, of evidence relevant to the amounts and disclosures contained on pages 2 to 11 and Appendices A to D 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 2007 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 Horizon Energy Distribution 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.

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 Horizon Energy Distribution 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 Horizon Energy Distribution Limited other than in our capacities as auditors of the threshold compliance statements, auditors pursuant to the Electricity Information Disclosure Requirements 2004 and under the Companies Act 1993, and in the provision of other professional advisory services. We are not aware of any relationships between our firm and Horizon Energy Distribution 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 Horizon Energy Distribution Limited against that threshold for the assessment period ended on 31 March 2007.

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 2007 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 Horizon Energy Distribution Limited's policies and procedures for recording SAIDI and SAIFI statistics as disclosed in the threshold compliance statement, and fairly represent the performance of Horizon Energy Distribution Limited for the assessment period ended on 31 March 2007;
- 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 Horizon Energy Distribution 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 Horizon Energy Distribution 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:

- There is no independent evidence available for the period to support the completeness and accuracy of recorded faults; 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 2007, 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 Horizon Energy Distribution 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 2007.

Our audit was completed on 16 May 2007 and our qualified and unqualified opinions are expressed as at that date.



PricewaterhouseCoopers
Auckland
16 May 2007

6. Directors' Certificate on Threshold Compliance Statement (Clause 7(1)(c))

We, Colin George Houston Holmes and Graeme Scott Hawkins, being directors of Horizon Energy Distribution Limited certify that, having made all reasonable enquiry, to the best of our knowledge and belief, the attached Threshold Compliance Statement of Horizon Energy Distribution Limited, and related information, prepared for the purposes of the Commerce Act (Electricity Distribution Thresholds) Notice 2004 complies with the requirements of those notices except in the following respect:

- Clause 5(1)(a) and Clause 5(1)(b): Horizon Energy Distribution Limited has, for the year ending 31 March 2007, breached its price path threshold. The circumstances leading to these breaches are detailed in the Threshold Compliance Statement.



Colin Holmes (Chairman)



Graeme Hawkins (Director)

16 May 2007

Appendix A – Notional Revenue at 31 March 2007 – Assessment Date

This appendix details the calculations underpinning the compliance with the Price Path Threshold at 31 March 2007. Details of prices and quantities are contained in Appendix B.

Clause 5 (1) (a)

- Notional Revenue at 31 March 2007 (NR_{2007})

Notional Revenue for the year ending 31 March 2007		
Term	Description	(\$)
$\sum P_{i,2007} Q_i$	Prices at 31 March 2007 multiplied by 31 March 2003 Base Quantities	24,349,538
K_{2007}	Transmission Charges for year ending 31 March 2007	7,825,343
	Rates for year ending 31 March 2007	124,112
	Electricity Commission Levies for year ending 31 March 2007	52,541
$NR_{2007} = \sum P_{i,2007} Q_i - K_{2007}$	Notional Revenue for the year ending 31 March 2007	16,347,541

Refer Table 1, Appendix B for details of prices and quantities.

- **Allowable Notional Revenue at 31 March 2007 (R_{2007}) and Performance Against the Threshold**

Allowable Notional Revenue under CPI -X price path		
Term	Description	(\$)
X	X Factor	1%
R_{2004}	Maximum Revenue at 31 March 2004 that would not have caused a breach under the Initial Notice	14,849,570
$(I + \Delta CPI_{2005})$	Average change in Consumer Price Index over 2004	1.0229
$(I - X)$	1-X Factor	0.99
R_{2005}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2005	15,037,766
$(I + \Delta CPI_{2006})$	Average change in Consumer Price Index over 2005	1.0304
$(I - X)$	1-X Factor	0.99
R_{2006}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2006	15,339,521
$(I + \Delta CPI_{2007})$	Average change in Consumer Price Index over 2006	1.0337
$(I - X)$	1-X Factor	0.99
R_{2007}	Allowable Notional Revenue under the CPI-X Price Path for the year ended 31 March 2007	15,697,200
NR_{2007} / R_{2007}	Expression must be less than or equal to 1 to avoid breaching 5(1)(a)	1.0414
$R_{2007} - NR_{2007}$	Value of Compliance or (Breach)	(650,341)

- Change in CPI

ΔCPI_{2005}			
Numerator		Denominator	
<i>CPI</i> _{Q1,2004}	928	<i>CPI</i> _{Q1,2003}	913
<i>CPI</i> _{Q2,2004}	935	<i>CPI</i> _{Q2,2003}	913
<i>CPI</i> _{Q3,2004}	941	<i>CPI</i> _{Q3,2003}	918
<i>CPI</i> _{Q4,2004}	949	<i>CPI</i> _{Q4,2003}	924
Total	3753	Total	3669
ΔCPI_{2005}		2.29%	

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)

ΔCPI_{2006}			
Numerator		Denominator	
<i>CPI</i> _{Q1,2005}	953	<i>CPI</i> _{Q1,2004}	928
<i>CPI</i> _{Q2,2005}	962	<i>CPI</i> _{Q2,2004}	935
<i>CPI</i> _{Q3,2005}	973	<i>CPI</i> _{Q3,2004}	941
<i>CPI</i> _{Q4,2005}	979	<i>CPI</i> _{Q4,2004}	949
Total	3867	Total	3753
ΔCPI_{2006}		3.04%	

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)

ΔCPI_{2007}			
Numerator		Denominator	
<i>CPI</i> _{Q1,2006}	985	<i>CPI</i> _{Q1,2005}	953
<i>CPI</i> _{Q2,2006}	1000	<i>CPI</i> _{Q2,2005}	962
<i>CPI</i> _{Q3,2006}	1007	<i>CPI</i> _{Q3,2005}	973
<i>CPI</i> _{Q4,2006}	1005	<i>CPI</i> _{Q4,2005}	979
Total	3997	Total	3867
ΔCPI_{2007}		3.37%	

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)

Clause 5 (1) (b)

- **Maximum Notional Revenue during the period 1 April 2006 to 31 March 2007 (R_{max})**

Maximum Notional Revenue for the period 1 April 2006 to 31 March 2007. P x Q using 31 March 2007 Prices and 31 March 2003 Base 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 2003 quantities		
Term	Description	(\$)
$\Sigma P_{Max} Q_i$	Maximum Price Between 1 April 2006 and 31 March 2007 multiplied by 31 March 2003 Base Quantities	24,372,918
K_{2007}	Transmission Charges for year ending 31 March 2007	7,825,343
	Rates Charges for year ending 31 March 2007	124,112
	Electricity Commission Levies for year ending 31 March 2007	52,541
NR_{Max}	Maximum Notional Revenue for 1 April 2006 to 31 March 2007	16,370,922

The difference between NR_{max} and NR_{2007} reflects a reduction in tariff to a major customer which was intended to be effective 1 April 2007 however was not introduced until July 2006.

Refer Table 2, Appendix B

- **Clause 5 (1) (b) Compliance Summary**

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 2006 to 31 March 2007	16,370,922
R_{2006}	Adjusted Allowable Notional Revenue at 31 March 2006	15,339,521
R_{2007}	Allowable Notional Revenue at 31 March 2007	15,697,200
$Max(R_{2006}, R_{2007})$	Maximum of the Allowable Notional Revenue at 31 March 2006 and the Allowable Notional Revenue at 31 March 2007	15,697,200
$NR_{Max} / Max(R_{2006}, R_{2007})$	If expression is greater than 1, Clause 5 (1) (b) is breached	1.0429
$Max(R_{2006}, R_{2007}) - NR_{Max}$	Value of Compliance or (Breach)	(673,722)

Appendix B, Table 1 – Schedule of Prices and Quantities 5(1)(a)

2006-07 Charges

5(1)(a)	ICPs	Ave Capacity/ MD per ICP	kWh	Line Charges		Pass Through	Line Charges		Pass Through	Total
				Fixed	Variable	Charge	Fixed (\$)	Variable (\$)	Revenue (\$)	Revenue (\$)
				\$ per day	c/kWh	c/kWh				
RETAIL										
DOMESTIC										
DU	11,550	-	75,134,823	0.1500	6.2472	2.0901	632,363	4,693,826	1,570,356	6,896,545
DU C	5	-	-	0.1500	6.2472	2.0901	274	-	-	274
DR	7,029	-	51,312,821	0.1500	6.2472	2.0901	384,838	3,205,617	1,072,464	4,662,919
DR C	74	-	-	0.1500	6.2472	2.0901	4,052	-	-	4,052
TOTAL DOMESTIC	18,658		126,447,644				1,021,526	7,899,443	2,642,821	11,563,789
NON DOMESTIC										
Specials										
U/Verandah Lights	126		45,990	0.0860	-	\$0.0359/day	3,955	-	1,650	5,605
Electric Fence	33		24,090	0.1940	-	\$0.0844/day	2,337	-	1,017	3,353
Lanark	1		-	\$260.00/mth	-	(\$303.42)/mth	3,120	-	(3,641)	(521)
Street Lights	27		1,969,726	-	6.9997	2.0901	-	137,875	41,168	179,044
Telecom - PCM 24 hour	78		341,640	\$27.16/mth	-	\$7.67/mth	25,417	-	7,182	32,599
Telecom - controlled	18		32,850	\$10.46/mth	-	\$3.19/mth	2,259	-	688	2,948
Total Specials	283		2,414,296				37,088	137,875	48,064	223,028
Capacity Groups										
N1U	417	-	2,556,081	1.1170	4.0867	2.0901	170,013	104,459	53,423	327,896
N1R	684	-	3,035,034	1.1670	4.2023	2.0901	291,353	127,542	63,434	482,329
N2U	695	-	11,343,042	1.3200	3.6470	2.0901	334,851	413,676	237,075	985,602
N2R	1,810	-	24,464,191	1.4210	3.8875	2.0901	938,784	951,038	511,314	2,401,136
N3U	237	-	7,173,788	1.7260	3.6470	2.0901	149,308	261,625	149,936	560,868
N3R	196	-	7,071,497	1.9290	3.8875	2.0901	138,001	274,902	147,798	560,701
N4U	66	-	3,299,002	2.2330	3.6470	2.0901	53,793	120,313	68,951	243,057
N4R	45	-	2,508,399	2.5380	3.8875	2.0901	41,687	97,513	52,427	191,627
N5U	48	158 kVA	3,521,012	1.66c/kVA/day	3.4581	2.0901	45,765	121,758	73,591	241,114
N5R	42	140 kVA	1,996,191	1.79c/kVA/day	3.7615	2.0901	38,242	75,087	41,721	155,051
UCC	13	-	-	(0.6500)	-	-	(3,084)	-	-	(3,084)
RCC	137	-	-	(0.7000)	-	-	(35,004)	-	-	(35,004)
Total Capacity Groups	4,390		66,968,238				2,163,707	2,547,914	1,399,671	6,111,292
TOU										
TOU - Variable	99	-	34,785,794	-	0.9321	2.0901	-	324,247	727,041	1,051,288
TOU - Capacity	99	242 kVA	-	\$0.609/kVA/mth	-	-	175,305	-	-	175,305
TOU - Maximum Demand	99	133 kW	-	\$5.989/kW/mth	-	-	943,022	-	-	943,022
Total TOU	99		34,785,794				1,118,327	324,247	727,041	2,169,615
TOTAL NON DOMESTIC	4,772		104,168,328				3,319,123	3,010,037	2,174,776	8,503,935
TOTAL RETAIL	23,430		230,615,972				4,340,648	10,909,480	4,817,597	20,067,725
MAJORS - REGULATED		Total MD \$65.20 kW								
SPEC		-	36,428,890			0.2970			108,200	108,200
SPEC	1	22,497	154,878,840	\$9,741.52/mth	-	0.1194	116,898	-	1,651,677	1,768,575
SPEC	1	20,000	107,800,385	\$14,059.14/mth	-	0.2581	168,710	-	1,582,243	1,750,953
SPEC	2	1,030	6,041,474	-	-	0.2960	-	-	85,038	85,038
SPEC	1	3,342	19,306,030	\$6,132.06/mth	-	0.2182	73,585	-	260,025	333,609
SPEC	1	2,259	21,240,699	\$3,532.64/mth	-	0.1742	42,392	-	184,286	226,678
SPEC	1	-	3,168,825	\$730.00/mth	-	-	8,760	-	-	8,760
TOTAL MAJORS - REGULATED	7		348,865,144				410,344	-	3,871,469	4,281,813
GRAND TOTAL	23,437		579,481,116				4,750,992	10,909,480	8,689,065	24,349,538

Appendix B, Table 2 – Schedule of Prices and Quantities 5(1)(b)

2006-07 Charges


5(1)(b)	ICPs	Ave Capacity/ MD per ICP	kWh	Line Charges		Pass Through	Line Charges		Pass Through	Total
				Fixed	Variable	Charge	Fixed (\$)	Variable (\$)	Revenue (\$)	Revenue (\$)
				\$ per day	c/kWh	c/kWh				
RETAIL										
DOMESTIC										
DU	11,550	-	75,134,823	0.1500	6.2472	2.0901	632,363	4,693,826	1,570,356	6,896,545
DU C	5	-	-	0.1500	6.2472	2.0901	274	-	-	274
DR	7,029	-	51,312,821	0.1500	6.2472	2.0901	384,838	3,205,617	1,072,464	4,662,919
DR C	74	-	-	0.1500	6.2472	2.0901	4,052	-	-	4,052
TOTAL DOMESTIC	18,658		126,447,644				1,021,526	7,899,443	2,642,821	11,563,789
NON DOMESTIC										
Specials										
U/Verandah Lights	126	-	45,990	0.0860	-	\$0.0359/day	3,955	-	1,650	5,605
Electric Fence	33	-	24,090	0.1940	-	\$0.0844/day	2,337	-	1,017	3,353
Lanark	1	-	-	\$260.00/mth	-	(\$303.42)/mth	3,120	-	(3,641)	(521)
Street Lights	27	-	1,969,726	-	6.9997	2.0901	-	137,875	41,168	179,044
Telecom - PCM 24 hour	78	-	341,640	\$27.16/mth	-	\$7.67/mth	25,417	-	7,182	32,599
Telecom - controlled	18	-	32,850	\$10.46/mth	-	\$3.19/mth	2,259	-	688	2,948
Total Specials	283		2,414,296				37,088	137,875	48,064	223,028
Capacity Groups										
N1U	417	-	2,556,081	1.1170	4.0867	2.0901	170,013	104,459	53,423	327,896
N1R	684	-	3,035,034	1.1670	4.2023	2.0901	291,353	127,542	63,434	482,329
N2U	695	-	11,343,042	1.3200	3.6470	2.0901	334,851	413,676	237,075	985,602
N2R	1,810	-	24,464,191	1.4210	3.8875	2.0901	938,784	951,038	511,314	2,401,136
N3U	237	-	7,173,788	1.7260	3.6470	2.0901	149,308	261,625	149,936	560,868
N3R	196	-	7,071,497	1.9290	3.8875	2.0901	138,001	274,902	147,798	560,701
N4U	66	-	3,299,002	2.2330	3.6470	2.0901	53,793	120,313	68,951	243,057
N4R	45	-	2,508,399	2.5380	3.8875	2.0901	41,687	97,513	52,427	191,627
N5U	48	158 kVA	3,521,012	1.66c/kVA/day	3.4581	2.0901	45,765	121,758	73,591	241,114
N5R	42	140 kVA	1,996,191	1.79c/kVA/day	3.7615	2.0901	38,242	75,087	41,721	155,051
UCC	13	-	-	(0.6500)	-	-	(3,084)	-	-	(3,084)
RCC	137	-	-	(0.7000)	-	-	(35,004)	-	-	(35,004)
Total Capacity Groups	4,390		66,968,238				2,163,707	2,547,914	1,399,671	6,111,292
TOU										
TOU - Variable	99	-	34,785,794	-	0.9321	2.0901	-	324,247	727,041	1,051,288
TOU - Capacity	99	242 kVA	-	\$0.609/kVA/mth	-	-	175,305	-	-	175,305
TOU - Maximum Demand	99	133 kW	-	\$5.989/kW/mth	-	-	943,022	-	-	943,022
Total TOU	99		34,785,794				1,118,327	324,247	727,041	2,169,615
TOTAL NON DOMESTIC	4,772		104,168,328				3,319,123	3,010,037	2,174,776	8,503,935
TOTAL RETAIL	23,430		230,615,972				4,340,648	10,909,480	4,817,597	20,067,725
MAJORS - REGULATED		Total MD \$65.20 kW								
SPEC		-	36,428,890			0.3612			131,581	131,581
SPEC	1	22,497	154,878,840	\$9,741.52/mth	-	0.1194	116,898	-	1,651,677	1,768,575
SPEC	1	20,000	107,800,385	\$14,059.14/mth	-	0.2581	168,710	-	1,582,243	1,750,953
SPEC	2	1,030	6,041,474	-	-	0.2960	-	-	85,038	85,038
SPEC	1	3,342	19,306,030	\$6,132.06/mth	-	0.2182	73,585	-	260,025	333,609
SPEC	1	2,259	21,240,699	\$3,532.64/mth	-	0.1742	42,392	-	184,286	226,678
SPEC	1	-	3,168,825	\$730.00/mth	-	-	8,760	-	-	8,760
TOTAL MAJORS - REGULATED	7		348,865,144				410,344	-	3,894,849	4,305,194
GRAND TOTAL	23,437		579,481,116				4,750,992	10,909,480	8,712,446	24,372,918

Appendix C – SAIDI and SAIFI Statistics

SAIDI and SAIFI (Class B and Class C) for Years Ended 31 March 1999 – 2003 and the Year Ended 31 March 2007

Year	SAIDI (Interruption Duration)			SAIFI (Interruption Frequency)		
	Class B	Class C	Total	Class B	Class C	Total
1999	81.00	172.00	253.00	0.50	2.71	3.21
2000	49.00	72.00	121.00	0.36	1.54	1.90
2001	41.00	77.00	118.00	0.31	1.24	1.55
2002	35.00	179.00	214.00	0.22	1.43	1.65
2003	20.00	77.00	97.00	0.18	0.88	1.06
	Five Year Average SAIDI		160.60	Five Year Average SAIFI		1.87
2007	15.85	140.09	155.94	0.12	1.73	1.85

Appendix D – Outage Schedules

 HORIZON ENERGY DISTRIBUTION LIMITED		Switching Schedule Number				
Day:		Date:		Times:		
Substation:						
Feeder:						
Reason for Switching:						
Area Affected:						
Customers Notified by:				Network Req#		
Arranged by			Checked by			Controlled by
SWITCHING SEQUENCE						
	1	1.				
	2					
	3					
	4					
	5					
	6					
	7					
	8					
	9					
	10					
	11					
	12					
	13					
	14					
	15					

