



INVESTING IN OUR NETWORK AND THE IMPACT TO PRICES YOU PAY

As your local lines company, Network Waitaki is responsible for delivering electricity to over 13,000 homes and businesses from as far south as Shag Point, up north to the Hakataramea Valley and west to the top of lake Ohau. Owned 100% by our community through the Waitaki Power Trust, we take our responsibility seriously to ensure you have power whenever you need it – whether that’s keeping your home running or your business humming - through the provision of a safe, secure and reliable service.

We are planning to make significant new investment in the electricity distribution network so we can continue to deliver on our service commitments to you. That means, from 1 April 2024, there will be an increase to the distribution component of your power bill.

Here we outline details of our investment plans, and what it means for the prices you pay.

HOW OUR INVESTMENT PLANS IMPACT THE PRICES YOU PAY

Comparative to other distribution businesses in New Zealand with a similar profile and service to ours, we have historically had some of the lowest prices. We now need to invest heavily in our network to meet growing electricity demand across our region, renew assets that are reaching the end of their life and to ensure our network is resilient for the future.

In order to make these essential investments on our network, from 1 April 2024, the distribution and transmission component of your electricity bill (which makes up around one third of the total bill) will rise by 11%. This is on average across all consumers and equates to approximately \$12.65 more per month for an average household.

OTHER CONTRIBUTING FACTORS ON THE PRICES YOU PAY

There are additional factors that have contributed to this year’s price increase, such as:

- Extraordinary cost inflation which is driving higher operating costs for our business
- A 1.2% increase in pass-through costs from Transpower
- Network Waitaki’s adherence to the Electricity Authority’s guidance for all electricity distribution businesses to move to more cost reflective pricing (including phasing out the Low-Fixed User Charge).

INVESTING IN OUR NETWORK – AND WHAT IT MEANS FOR YOUR POWER SUPPLY

Here’s some key projects in the pipeline over the next ten years as part of our investment plans to deliver on our service commitments to you and the Waitaki region:

- To continue delivering a safe, efficient and reliable service there will be a general step increase in network renewals. This will see us replacing ageing assets that are reaching the end of their life, replacing some of our major transformers, and installing a new substation at Awamoko at a cost of \$15M.
- Construction of a new 220kV Grid connection and supporting infrastructure in the lower Waitaki Valley at a cost of \$100M. This is needed to address the constraints on Transpower’s current 110kV transmission line between Waitaki and Glenavy (which supplies Oamaru). This new Grid connection is a positive development for our region and will secure the future electricity needs of Waitaki for decades to come.
- New Zealand is experiencing an increased number and severity of extreme weather events. We need to ensure that all new distribution assets are built to new design standards to withstand these conditions.

AFFORDABILITY

Investment needed over the next decade would be funded by a combination of borrowing and the unavoidable increase of the distribution charge passed on to customers. We understand affordability is a real issue for a number of our customers, especially in the current economic climate. We encourage you to get in touch with us if you need help checking your plan and connection size is suitable for your needs. We also urge customers to visit Consumer NZ’s website ‘Powerswitch’ for a free and independent comparison of retail power plans - www.powerswitch.org.nz.

For more information regarding our pricing please visit our website - www.networkwaitaki.co.nz



DELIVERY PRICE SCHEDULE FOR NETWORK WAITAKI - EFFECTIVE FROM 1 APRIL 2024

The prices in this schedule are used to charge electricity retailers for the delivery of electricity in the Waitaki region serviced by Network Waitaki. Electricity retailers determine how to allocate this cost together with energy, metering and other retail costs when setting the retail prices that appear on an end consumer’s power account.

			Effective 1 April 2023			Effective 1 April 2024			
Code	Description	Units	Distribution	Pass-through	Delivery price	Distribution	Pass-through	Delivery price	No. of Consumers
RESIDENTIAL LOW FIXED CHARGE CONNECTIONS / Price category code: RL (0 - 15 kVA)									
RLU	0 - 15kVA - Uncontrolled	\$/connection/day	0.3399	0.1101	0.4500	0.4624	0.1376	0.6000	898
RLC	0 - 15kVA - Controlled	\$/connection/day	0.3399	0.1101	0.4500	0.4624	0.1376	0.6000	4,442
RLUD	Day Volume - Uncontrolled	\$/kWh	0.10899	0.03352	0.14251	0.12453	0.03426	0.15879	
RLCD	Day Volume - Controlled	\$/kWh	0.09912	0.02159	0.12071	0.11178	0.02207	0.13385	
RLUN	Night Volume - uncontrolled	\$/kWh	0.01100	0.01204	0.02304	0.01257	0.01231	0.02488	
RLCN	Night Volume - Controlled	\$/kWh	0.01000	0.00222	0.01222	0.01128	0.00227	0.01355	
GENERAL CONNECTIONS / Price category code: GC									
15U	0 - 15kVA - Uncontrolled	\$/connection/day	2.0766	0.7204	2.7970	2.5142	0.7721	3.2863	1,953
15C	0 - 15kVA - Controlled	\$/connection/day	1.8628	0.4391	2.3019	2.2554	0.4706	2.7260	4,061
30U	16-30kVA Uncontrolled	\$/connection/day	3.2803	1.2692	4.5495	3.9716	1.3602	5.3318	464
30C	16 - 30kVA - Controlled	\$/connection/day	2.9741	0.8848	3.8589	3.6009	0.9483	4.5492	191
50U	31-50kVA Uncontrolled	\$/connection/day	5.2893	1.5403	6.8296	6.4040	1.6507	8.0547	603
50C	31-50kVA Controlled	\$/connection/day	4.8813	1.0830	5.9643	5.9100	1.1607	7.0707	151
100	51-100kVA	\$/connection/day	11.6397	2.1460	13.7857	14.0926	2.2999	16.3925	366
200	101-200kVA	\$/connection/day	23.2714	4.2639	27.5353	28.1756	4.5697	32.7453	140
300	201-300kVA	\$/connection/day	34.8521	6.4962	41.3483	42.1968	6.9620	49.1588	57
500	301-500kVA	\$/connection/day	58.4021	11.7058	70.1079	70.7097	12.5452	83.2549	29
750	501-750kVA	\$/connection/day	89.0895	17.4605	106.5500	107.8642	18.7126	126.5768	13
WATAD	Day volume	\$/kWh	0.02322	0.00584	0.02906	0.02322	0.00584	0.02906	
WATAN	Night volume	\$/kWh	0.00259	0.00064	0.00323	0.00259	0.00064	0.00323	
LARGE COMMERCIAL / Price category code: LC (750 kVA +)									
LC	Daily fixed price	\$/connection/day	2.6238	0.0000	2.6238	2.6238	0.0000	2.6238	1
LCCAP	Daily capacity price	\$/kVA	0.1257	0.0997	0.2254	0.1675	0.1018	0.2693	
LCDEM	Daily demand price	\$/kW	0.0820	0.1129	0.1949	0.0751	0.0510	0.1261	
INDIVIDUALLY ASSESSED / Price category code: IND									
IND	Individually Priced								11

- NOTES:**
1. All Charges are GST exclusive. GST is payable in addition to the charges.
 2. The price movement amounts to an average overall 11.0% increase mainly as a result of increased operational and capital expenditure. This increase will allow Network Waitaki to upgrade our network to meet the current and future supply demands of our customers. Our planned system growth projects and focussed renewals programme will future proof the network to support the increasing electrification of transport and industrial processes and as more homes and businesses electrify their vehicles and heating as part of decarbonising our region. More information on how prices are determined is published in our pricing methodology which is available on the Network Waitaki website (www.networkwaitaki.co.nz).
 3. Eligibility for the "Residential Low Fixed Charge" price category requires that the premises must be the consumer's principal place of residence as defined by the Electricity Industry Act 2010.
 4. Volume (kWh) prices are based on volumes metered at the Grid Exit Points supplying the network. All metered loads should be grossed up using the appropriate loss factor to arrive at the chargeable GXP volume. Different rates are applied for "day volume" (07:00 a.m. until 11:00 p.m.) and for "night volume" (11:00 p.m. until 07:00 a.m. the next morning).
 5. Large Commercial (LC) load group with connections higher than 750kVA: Daily capacity prices are based on contracted capacity. Daily demand prices are applied to an assessed demand level that is available on request. Capacity and demand prices accrue on a daily basis at the rate of 1/365th of the annual amount due, or 1/366th during a financial year that includes a leap day.
 6. Distribution and Pass-through prices are charged in respect of each site and electricity retailers are invoiced monthly in arrears. Fixed prices accrue on a daily basis at the rate of 1/365th of the annual amount due, or 1/366th during a financial year that includes a leap day.
 7. Pass-through prices consist of transmission prices, rates and regulatory levies.
 8. Where an ICP is disconnected for seasonality reasons and reconnected in the same 12 month period, Network Waitaki reserves the right to charge the fixed charges that would have been due over the period of disconnection had the consumer not seasonally disconnected.
 9. Network Waitaki pays an annual discount to consumers. Discounts will be payable based on the number of days the installation has been connected within a specific load group. The discount methodology is available on the Network Waitaki website - www.networkwaitaki.co.nz

Note: All prices are exclusive of GST.