

30 March 2020



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Electricity Authority
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Attention James Stevenson-Wallace

Dear James

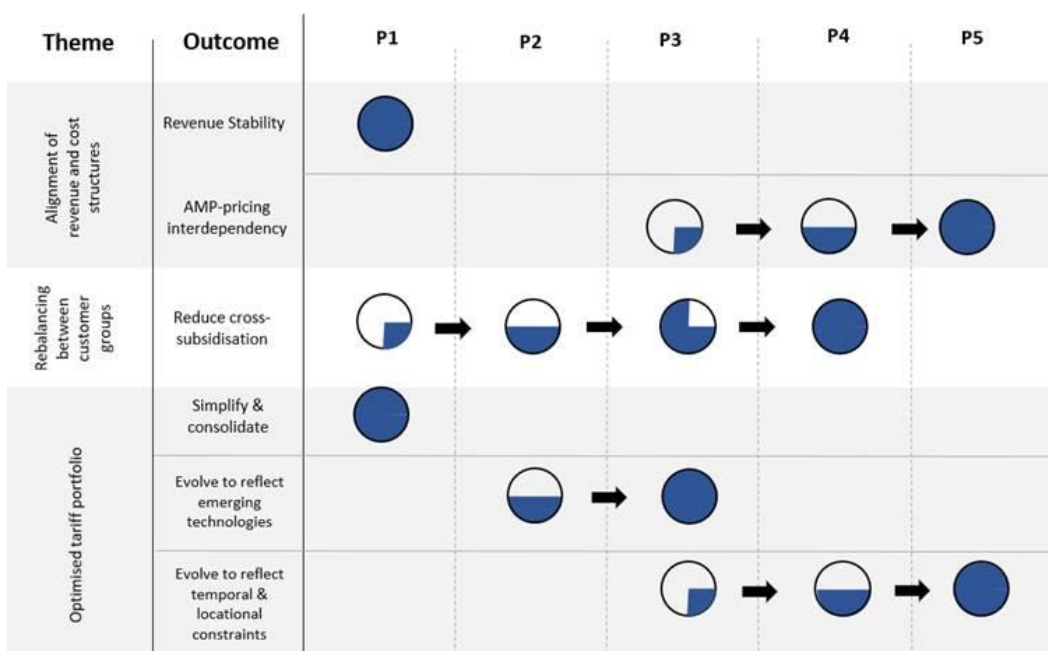
Update on progress towards adoption of more cost reflective pricing – MainPower New Zealand Limited

This is MainPower’s March 2020 update on its progress towards the adoption of more cost reflective pricing.

We have completed the work outlined in our letter of 29 March 2019. New pricing for all customers will take effect from 1 April 2020. We have rebalanced the proportion of fixed and variable charges to better reflect the costs of providing network services. More detail about the evaluation process is contained in Section 1 of the MainPower pricing methodology which can be found at <https://mainpower.co.nz/about-us/disclosures/mainpower-disclosures/pricing>.

The pricing changes made for the 2020/21 year are the first step in a 5 year transition period. More details about the transition and the roadmap can be found in section 3 of the pricing methodology. The roadmap is summarised in the diagram below:

Pricing Strategy - RCP 3



MainPower has identified the customers that maybe particularly impacted by the change in pricing, primarily irrigation customers and customers with a second non-residential ICP consuming less than

If you have any concerns about MainPower’s services please call MainPower on 0800 30 90 80 to access our free, Complaint Resolution Service. If we are unable to resolve your concern you can contact the free, independent Utilities Disputes Ltd on 0800 22 33 40 or visit www.utilitiesdisputes.co.nz

6,000 kWhs per annum, and it has commenced a separate communications process with those groups. Planned visits to affected customers have been postponed due to Covid-19.

A further update will be provided in October 2020.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Sarah Barnes'.

Sarah Barnes

Regulatory Manager

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